

AMERICAS WAY FORWARD IN THE INDO-PACIFIC

HEARING

BEFORE THE
SUBCOMMITTEE ON ASIA, THE PACIFIC, CENTRAL
ASIA, AND NONPROLIFERATION
OF THE

COMMITTEE ON FOREIGN AFFAIRS
HOUSE OF REPRESENTATIVES
ONE HUNDRED SEVENTEENTH CONGRESS

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AMERICAS WAY FORWARD IN THE INDO-PACIFIC

Friday, March 22, 2021

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON ASIA, THE PACIFIC,
CENTRAL ASIA, AND NONPROLIFERATION
COMMITTEE ON FOREIGN AFFAIRS,
Washington, DC.

The subcommittee met, pursuant to notice, at 10:08 a.m., via Webex, Hon. Ami Bera (chairman of the subcommittee) presiding.

Mr. BERA. The Subcommittee on Asia, the Pacific, and Nonproliferation will come to order. Without objection, the chair is authorized to declare a recess of the committee at any point. And all members will have 5 days to submit statements, extraneous material, and questions for the record subject to the length limitation in the rules. To insert something into the record, please have your staff email the previously mentioned address or contact full committee staff.

Please keep your video functions on at all times, even when you are not recognized by the chair. Members are responsible for muting and unmuting themselves. And please remember to mute yourself after you finish speaking.

Consistent with remote committee proceedings of H.Res. 8, staff will only mute members and witnesses as appropriate when they are not under recognition to eliminate background noise. In recognizing that we probably will have votes called shortly, we will continue the hearing as members kind of cycle in and out to report their votes on the floor.

I see that we have a quorum now, and I will now recognize myself for opening remarks. I want to thank Ranking Member Chabot, the members of this subcommittee, our witnesses, members of the public for joining today's hearing.

Before we get started, I do want to take a moment to talk about what we have seen in the hate-filled mass shooting in Atlanta earlier this week and to recognize the pain and trauma it has caused for many across the country, particularly, in the Asian-American, Pacific Islander community. We have seen a dramatic rise in hate crimes against Asian Americans over the last year, crimes that tear at the very fabric of what makes our country so strong. And on Tuesday, eight lives were cut short because of this hate, including Daoyou Feng, Paul Andre Michels, Hyeon Jeong Park, Julie Park, Xiaojie Tan, Delaina Ashley Yaun, and others.

I know, on this committee, we will be taking a hard look at the region and certainly, you know, the Chinese Communist Party and what the Chinese Community Party and their government is up to. But we also have to be careful about the language we use on this

committee and understand that the Chinese Communist Party is not a reflection of the Chinese people and certainly is not a reflection of the many patriotic Chinese Americans and Asian Americans.

So, as we take a hard look and look at the challenges in the Indo-Pacific, the challenges in this great strategic power competition with China, let's be mindful of the language we use and mindful that we do not conflate what the Chinese Communist Party is doing with what patriotic Chinese and Asian Americans do every day in representing the values of the United States of America.

With that, you know, we do have many challenges. I applaud the Biden Administration for their recognition that the Indo-Pacific region may, in fact, be one of the most challenging regions in the coming decades in the pivot and emphasis on Indo-Pacific strategy. You know, I appreciate the leaders' summit that happened with the Quad and our allies in Japan, India, and Australia last week and the partnership and the commitment that our friends and allies through the Quad have focused on in terms of creating regional security.

I also applaud Secretary Blinken and Secretary Austin for making an early visit to our allies in Japan and Korea to strengthen that trilateral relationship as we deal with what is still quite a bit of a challenge in North Korea. We need a strengthened trilateral alliance to address those issues.

I also appreciate Secretary Blinken, you know, specifically, calling out to China to say they have a responsibility in helping us get to the ultimate goal of a nuclear-free peninsula on the Korean Peninsula.

In addition, this subcommittee will spend quite a bit of time looking at the increased Chinese aggression. Certainly, we are seeing the antidemocratic moves that are taking place in Hong Kong with real concern. We see that human rights abuses that are taking place in Xinjiang province against the Uyghur population, as well as what has happened for years in Tibet. And, increasingly, we are seeing Chinese aggression in the South China Sea and the East China Sea. And with increasing concerns—I know the Ranking Member Chabot and I have talked quite a bit about our concerns with Chinese aggression and increased aggression toward Taiwan—an importance that we understand that, you know, that the United States really does stand with Taiwan with our allies. And, hence, we have introduced the Taiwan Fellowship Act, which will be a first step but not a last step. You know, this Chinese aggression, while we are going to have a history of competition with China, you know, we do not—our desire is not to have a direct confrontation. But, again, we have to have the rule of law. And this committee will be taking a long look at building up that foundational strategy there.

So, with that, you know, we have got, you know—the committee also has jurisdiction over Afghanistan. We will be saying—you know, May 1 is right around the corner, real challenges in how we approach Afghanistan. And we will be working very closely with the rest of the full committee to address that and what that way forward looks like.

So I expect us to have a very robust agenda on multiple fronts, and I look forward to doing things in a very bipartisan way. You know, Ranking Member Mr. Chabot and I have worked pretty closely together over, you know, my 9 years on the subcommittee. And, again, I look forward to having a great partnership with Mr. Chabot.

And, with that, let me recognize my good friend from Ohio, Ranking Member Representative Steve Chabot, for any opening comments that you may have.

Mr. CHABOT. Thank you, Chairman Bera.

I want to thank all the members from both sides of the aisle as we convene the first hearing of the Asia, Pacific, Central Asia, and Nonproliferation Subcommittee of the 117th Congress. I also want to thank our distinguished witnesses for their willingness to provide their insight and thoughts on how the U.S. should continue engaging the Indo-Pacific region during these challenging times.

I have served on the full Foreign Affairs Committee for my entire Congress, a quarter of a century now, including having chaired this very subcommittee back in 2013 and 2014. And I am pleased to have the opportunity to serve as ranking member—of course, I prefer to be chair—during what is arguably the most important period for U.S. engagement in the Indo-Pacific region in recent memory.

It is hard to overestimate the or overstate the significance of this region, which includes over half the world's population and more than a third of its global economy. Geographically, that is everything between the Caspian Sea and Hawaii, excluding Iran and Russia, who are, of course, in the jurisdiction of another subcommittee.

While it would be impossible to discuss all U.S. interests in such a vast and important region, the following are some of the highlights this committee should be focusing on, in my opinion. The Chinese Communist Party poses an existential threat to the United States and to our allies. This is evident from their massive military buildup, their large-scale intellectual property theft, persistent cyber attacks, and their mercantilist trade policies. It is also evident from their territorial aggression, concealment of the COVID-19 outbreak, and blatant disregard for human rights, the environment, and international treaties, and on and on.

The CCP wants regional and eventually global hegemony. They want to return to a world that is dominated by and resolves around the Middle Kingdom. The CCP is unwilling to operate by international norms. Unfortunately, given China's size and impact on the global economy, we cannot simply isolate them. Instead, we must work with our allies and partners to hold China to the same rules that everybody else follows and impose penalties when they do not.

It is imperative that America rises to this challenge, and our subcommittee has the mission to lead that effort. We must sustain and build our alliances and partnerships. I have long favored a robust U.S. engagement in the Indo-Pacific region, which is demonstrated by the fact that I co-chair, along with some of my Democratic colleagues, six caucuses in the region: India, Taiwan, Philippines, Cambodia, Kazakhstan, and the Pacific Islands.

While many of our allies and partners share our concerns with regard to China, they may not willing to be—resist and even sometimes confrontational as we might believe is the wise course of action at that time. We should strengthen and build upon the relationship with our Quad partners: Japan, India, and Australia. And with our ASEAN partners, especially our allies in Singapore and the Philippines.

Our relationship and deep ties Taiwan, as you have mentioned, Mr. Chairman, and Korea are also of paramount importance. And I must say strategic ambiguity relative to Taiwan and China is, in my opinion, absurd and dangerous. We ought to be crystal clear that, if China attacks Taiwan, we will be there with Taiwan. That is the best way to keep China from miscalculating and starting a war.

By cooperating with our allies and partners, the U.S. seeks to advance prosperity, human rights, and economic development, and the rule of law. We believe our model offers the best opportunity for the region. It is by working with those who share our values that we can help the region take full advantage of opportunities.

Finally, the United States must make trade and investment throughout Asia a top priority. Countries throughout the region are hungry for U.S. investment, while U.S. Businesses are eager for new markets and investment opportunities. By cultivating our economic ties, we will grow both our economies and economies of our partners.

Economic engagement is also an excellent means of fostering developing relationships in Central Asia where partners like Kazakhstan are eager to engage. And improved economic partnerships are avenues to diversify our supply chains away from China and foster promising alternatives, like Vietnam.

I would like to close by introducing our vice ranking member, Congresswoman Young Kim from California. As a long-time staffer to former Chairman Ed Royce, she has worked on trade negotiations. She has taken on leadership roles in the U.S.-Korea inter-parliamentary exchange, and has a deep understanding of the Indo-Pacific region. Her experience and expertise will truly advance the work of this subcommittee.

Mr. Chairman, I believe we have a great group of members on our side who bring experience, dedication, and commitment to American values to this subcommittee. Your members are okay, too. We look forward to working with you and our Democratic colleagues on this committee in addressing our Nation's challenges in a bipartisan manner.

And I, again, thank you, Mr. Chairman, for reaching out to me and discussing issues in advance of this hearing. And we look forward to working with you. Thank you.

Mr. BERA. Great. Thank you, Ranking Member Chabot.

I should point out my vice chair, the Congressman from Michigan, Andy Levin, he has got a very important resolution on the floor today, condemning the actions that we are seeing in Burma and standing with the Burmese people against this group.

With that, let me take a moment to introduce our witnesses. Our first witness is Dr. Richard Haass, who is the president of the Council on Foreign Relations. Dr. Haass comes to us with a widely

respected record of innovative thinking on many of our biggest strategic challenges.

Dr. Haass, we are grateful for your presence today.

We are also joined by Ms. Nadege Rolland. She is the senior fellow for Political and Security Affairs at the National Bureau of Asian Research. Ms. Rolland is one of the foremost experts on Chinese Government strategy and on some China's most consequential initiatives, like the Belt and Road Initiative.

Ms. Rolland, thank you for joining us today as well.

And last and certainly not least is Mr. Randy Schriver, the chairman of the Project 2049 Institute and former Secretary of Defense for Indo-Pacific Security Affairs. Mr. Schriver brings a long record of service in government on national security challenges in the region, including civilian and military service.

Mr. Schriver, we thank you for your service and for being with us today.

I will now recognize each witness for 5 minutes.

Without objection, your prepared written statements will be made part of the record. I will first call on Dr. Haass for your testimony.

STATEMENT OF THE HONORABLE RICHARD N. HAASS, PRESIDENT, COUNCIL ON FOREIGN RELATIONS, FORMER DIRECTOR OF POLICY PLANNING AT THE U.S. DEPARTMENT OF STATE

Dr. HAASS. Well, thank you, Chairman Bera, Ranking Member Chabot, I just want to make clear that I am speaking here on my personal capacity, not for the institution I am fortunate enough to be the president of. You have chosen a subject that is central, not just to this country but really to the trajectory of this century. It covers an awful lot, geography and otherwise. I will focus, though, on China in my opening remarks, even though I cover a lot else in my rather lengthy written statement.

Whatever it is we do in this part of the world, multilateralism will prove essential. We simply cannot deal adequately with China's power and China's reach unilaterally. But we also cannot ask others in the region, our partners and allies, to choose between us. We need to understand that they will want to maintain a relationship with China at the same time they maintain relations with us, even though the specifics will obviously differ. We also need to understand the limits of what some of our partners or allies are prepared to do with us when it comes to China. And here I mention [audio malfunction].

Mr. BERA. It looks like we may have lost Dr. Haass. Is that correct from the tech side?

VOICE. Yes, sir. It looks like Dr. Haass is having some connectivity issues.

Mr. BERA. Let's do this, let's go ahead and move to Ms. Rolland and then see if we can work on the technical issues with Dr. Haass. When he gets back, we will let him do his full testimony.

Ms. Rolland, let's go and recognize you for your testimony.

STATEMENT OF MS. NADEGE ROLLAND, SENIOR FELLOW FOR POLITICAL AFFAIRS, NATIONAL BUREAU OF ASIAN RESEARCH

Ms. ROLLAND. Thank you, sir. Chairman Bera, Ranking Member Chabot, I am deeply grateful and honored to be asked to share my thoughts with the subcommittee members today. As an analyst who devotes her days trying to understand the world through Beijing's eyes, I will focus my statement on where the Indo-Pacific region fits into the Chinese leadership's grand strategy.

The Indo-Pacific region is where U.S. and Chinese tectonic plates rub against each other. The term "Indo-Pacific" itself is very telling about the U.S. perspective. It is primarily a maritime geographic expanse that links the U.S. to an economically vibrant region and a crucial strategic space where many of its key military allies are located, an area the U.S. Envisions as free, open, secure, and prosperous.

There is no Indo-Pacific in Beijing's conception. The region is, in fact, included as part of China's periphery. Here, too, the term itself is very telling about the Chinese perspective. China is at the center and at the top of a 360-degree peripheral zone that expands over both the continental and maritime domains.

Dr. HAASS. I do not know who is talking, but I have somebody else who is talking over me. And I got cutoff, and I still hear a woman's voice.

Mr. BERA. Hi, Dr. Haass. We lost you for a moment there because of technical difficulties. So we moved on to Dr. Rolland to do her testimony. And then, after she finishes, we will come back to you, Dr. Haass, and let you do your full testimony, if that works. We lost you for a moment.

Go ahead, Dr. Rolland.

Ms. ROLLAND. Thank you, sir. Left unclear are the exact geographic extent of this periphery and the kind of future the Chinese party-State hopes to see for it.

In order to get a better understanding of the Chinese leadership's objectives for the region, one needs to look back over a decade ago. In the immediate aftermath of the 2008 global financial crisis, Chinese political elites felt that the American/Western decline had accelerated while China was on an unremitting upward trajectory.

The 2011 Obama Administration's announcement of the rebalancing of its diplomatic and security focus to the Asia-Pacific region was read in Beijing as a move meant to increase the pressure on Chinese's immediate periphery, constrict its strategic space, and ultimately thwart its rise. In order to counter what was essentially perceived as an intensified phase of American containment, Chinese planners devised their own strategic rebalancing.

The strategy embraced both land and sea, trying to stabilize China's eastern maritime flank, constricting as much as possible U.S. access to the China Seas while pressuring its allies, while at the same time consolidating China's power on its western continental and maritime flanks.

To expand China's influence and bolster its position over the region, Chinese planners decided to use economic power, China's strong point, as the main sinews, supplemented by the building of an increasingly dense network of both hard and soft infrastructures, transportation, energy, information and communication in-

frastructure-building, trade and financial agreements, and people-to-people exchanges. The strategic plan was announced at the end of 2013 under the name One Belt, One Road, which is now better known globally as the Belt and Road Initiative.

Viewed for what it is, namely, as a strategic plan, the BRI gives some indications about the Chinese leadership's intent. Geographically, BRI includes not only the Eurasian Continent, Central, South and Southeast Asia, and the Middle East, Africa, and portions of Central and Eastern Europe, also known as the Silk Road Economic Belt, but also its adjacent waters, Arctic, South Pacific, Indian Oceans, and Mediterranean Sea, also known as the 21st Century Maritime Silk Road, and its three blue economic passages.

The vision for the region's future is better explained by what it is not. It is not one where the widespread respect for an application of liberal democratic principles, such as freedom, individual rights, rule of law, transparency, and accountability, lead to greater openness, prosperity, and security. At the same time, it is not where all the countries in China's greater periphery end up having muddled themselves on the Chinese party-State's system or have become local appendages of the Chinese Communist Party.

It is a vision where the multiplication of dependencies to China have created enough positive incentives and coercive leverage to ultimately compel regional countries to defer to Beijing's wishes and constrict their ability and willingness to defy and resist against China's power. This vision is not compatible with that of the United States.

With this, I will yield. Thank you, sir.

[The prepared statement of Ms. Rolland follows:]

Nadège Rolland
Senior Fellow for Political and Security Affairs, The National Bureau of Asian Research
Written testimony for the U.S. House Foreign Affairs Committee Subcommittee on Asia, the
Pacific, Central Asia, and Nonproliferation
Hearing on **"America's Way Forward in the Indo-Pacific"**
March 19, 2021

Chairman Bera, Ranking Member Chabot,

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There is no "Indo-Pacific" in Beijing's conception. The region is in fact included as part of China's "periphery." Here too, the term itself is very telling about the Chinese perspective: China is at the center and at the top of a 360-degree peripheral zone that expands over both the continental and maritime domains. Left unclear are the exact geographic extent of this "periphery" and the kind of future the Chinese party-state hopes to see for it.

In order to get a better understanding of the Chinese leadership's objectives for the region, one needs to look back over a decade ago. In the immediate aftermath of the 2008 global financial crisis, Chinese political elites felt that the American/Western decline had accelerated, while China was on an unremitting upward trajectory. The 2011 Obama administration's announcement of the "Rebalance" of its diplomatic and security focus to the Asia-Pacific region was read in Beijing as a move meant to increase the pressure on China's immediate periphery, constrict its strategic space and, ultimately, thwart its rise. In order to counter what was essentially perceived as an intensified phase of American containment, Chinese planners devised their own "strategic rebalancing."

The strategy embraced both land and sea, trying to stabilize China's Eastern maritime flank (constricting as much as possible US access to the China Seas while pressuring its allies), while at the same time consolidating China's power on its Western continental and maritime flanks. To expand China's influence and bolster its position over the region, Chinese planners decided to use economic power, China's strong point, as the main sinews, supplemented by the building of an increasingly dense network of both hard and soft infrastructures (transportation, energy and information and communication infrastructure-building, trade and financial agreements, people-to-people exchanges). The strategic plan was announced at the end of 2013 under the name "One Belt One Road," which is now better known globally as the "Belt and Road Initiative."

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This vision is not compatible with that of the United States.

Mr. BERA. Thank you, Ms. Rolland.

Let's go back to Dr. Haass. And, Dr. Haass, if you want to start from the top of your testimony, because we lost you in there for a moment.

STATEMENT OF THE HONORABLE RICHARD N. HAAS, PRESIDENT, COUNCIL ON FOREIGN RELATIONS, FORMER DIRECTOR OF POLICY PLANNING AT THE U.S. DEPARTMENT OF STATE

Dr. HAASS. Okay. Thank you, sir. And apologies for the technological differences. I am not at my normal base. But, again, I want to thank you and the ranking member for asking me here today. I just wanted to make clear I speak for myself and not for the organization I lead. Your subject is obviously an important one. How Asia goes will in many ways determine how the 21st century goes. I will focus, though, on China, even though there is a lot else to cover.

I begin by pointing out that multilateralism is essential for all we do. We simply cannot deal adequately with China's power and reach unilaterally. That said, we also cannot ask our partners and allies to choose between us. Many of them will, for example, want to have economic ties with China, even though they will emphasize security ties with the United States.

That said, we also need to understand that there are limits to what some of these partners and allies are prepared to do. And I am happy to discuss, for example, limits that India might face. Whatever it is we do in the region, we need to beef up the economic dimension. To be blunt, we have sidelined ourselves, we have limited our involvement, and our influence. We should join the CPTPP. There is tremendous economic and strategic arguments for doing so. And I am also prepared to argue there could be climate reasons for doing so.

As for China, it is anything but a supporter of the status quo. Xi Jinping's China is fundamentally different than the China of his predecessors. It is stronger, wealthier, more repressive, and more assertive. For all that, I do not think it is useful to use a cold war framing for our relationship simply because China is so different than the Soviet Union was, and, as a result, our response will need to be different.

The priority for our foreign policy ought to be to shape China's behavior, particularly its external behavior. We should be imposing costs where we must and encouraging cooperation where we can. Toward that end, I believe and despite what happened in the last 24 hours, a private, sustained, strategic dialog is in the interest of the United States, not as a favor to China but as a tool of American national security. Consistent with that, I believe that regime change is beyond our ability to induce and, in any event, is not essential.

Democracy and human rights consideration can and should be a part of our conversation with China, but we must accept and approach them with the realization that, one, we have other priorities; and, two, our ability to advance what we like to see in the realm of democracy in human rights in China is distinctly limited.

When it comes to economics and technology, the United States should work with others on selective technological restrictions with a scalpel rather than with a blunt instrument. But here I would say decoupling from China is neither necessary, nor is it possible.

What we should do, though, and something Congress can play a large role in is increase our supply chain resilience. We can do that through multiple sourcing, through stockpiling, and through domestic and joint production arrangements with our partners and allies of selective items.

We need to strengthen deterrence in the region that obviously involves our military presence, cooperation with grouping such as the Quad. More than anything else, we must increase our ability to deter and prepare for and respond to any Chinese coercion against Taiwan. The stakes are enormous. Not to act would be, I believe, a strategic error of the first order.

I do believe we should move from strategic ambiguity to strategic clarity in terms of the means of our policy. But then it is essential that we complement with this move to strategic clarity with strategic capability. We cannot allow a gap to persist between our commitments and our capabilities to act on them.

Last, and for all of this, I would say China policy begins not in the region, but it begins at home. We need to become more competitive with China, and this involves everything from increasing Federal support for research and development for basic research, the kind of thing companies cannot be expected to do on their own; for a wise immigration policy that attracts the most talented in the world to come and stay here; to build infrastructure; to improve our education. And, second of all, we need to improve the reality, as well as the appearance of our economic and political model.

When we fail, we essentially let China off the hook. We, basically, lose the opportunity to show the advantages of a robust democracy and a robust, market-oriented order; therefore, their leaders feel no pressure from below.

So, if we want to succeed versus China, we need to become more competitive, but again we need to pose a successful alternative. Thank you very much.

[The prepared statement of Dr. Haass follows:]

**U.S. Policy toward the Indo-Pacific:
The Case for a Comprehensive Approach**

Prepared statement by

Richard N. Haass

President

Council on Foreign Relations

Before the

*House Foreign Affairs Subcommittee on Asia, the Pacific, Central Asia, and
Nonproliferation*

United States House of Representatives

1st Session, 117th Congress

March 19, 2021

Chairman Bera, Ranking Member Chabot, thank you for this opportunity to provide thoughts on America's way forward in the Indo-Pacific. As always, I am speaking in my personal capacity as the Council on Foreign Relations takes no institutional positions on matters of policy.

This subject is both timely and critical. Here is why: Just as Europe was the principal theater of international politics in the twentieth century, Asia will be where much of this century's history will get made. If the region remains largely at peace and continues to fuel global economic growth, where confrontation is minimized and cooperation enhanced, we can expect a century that is mostly prosperous and peaceful. If, however, the Indo-Pacific is marked by major power conflict, this century will take on a different and far darker future.

The Council on Foreign Relations takes no institutional positions on policy issues and has no affiliation with the U.S. government. All statements of fact and expressions of opinion contained herein are the sole responsibility of the author.

This vast area presents countless opportunities for the United States. It is home to some of our most important allies and partners, which we will need to enlist to address shared regional and global challenges. It contains many of the world's most innovative economies, is a manufacturing behemoth, and occupies an indispensable role in global supply chains. At the same time, the United States is confronted by multiple difficulties in this part of the world. Both these lists are long, and instead of touching on each item, I will focus on what I believe are the most important.

Above all, the United States must modernize its alliances and local relationships to deal with 21st century opportunities and problems. It needs to develop a strategy for managing its interactions with an increasingly powerful, assertive, statist, and oppressive China. It must reinvent its economic ties at a time when the region's economies are becoming more integrated and doing so with little or no U.S. involvement. And it must address North Korea's nuclear program.

While Washington will always be the hub of its alliance system, the spokes should be encouraged to do more with each other. An important piece of this effort will be to repair relations between Seoul and Tokyo. The United States should also fashion multiple coalitions of the willing, assembling a rotating set of partners to tackle democratic governance, climate change, regional disputes, maritime security, cyber governance, and supply chain security. Multilateralism should be central to the U.S. approach to the world, but multilateralism needs to be tailored and built around those countries and entities most relevant to the challenge at hand, and both able and willing to work together.

That brings me to China, but with a caveat: While it is true that China will be a formidable peer competitor for the United States in the decades ahead, it is important to think of U.S.-China relations as one element in a broader, more comprehensive Asia strategy. Crafting a strategy to contend with China is a necessary, but not sufficient, condition for American success in the region.

A critical advantage the United States enjoys over China is its network of allies and partners with which it can work to address global and regional opportunities and dangers. Put simply, the United States cannot deal adequately with China's power and reach unilaterally. It is therefore a welcome sign that Secretary of State Blinken and Secretary of Defense Austin made their first foreign trip to Asia, where they

met with the leaders of two of our closest allies, Japan and South Korea. In addition, President Biden participated in a summit level meeting with the other members of the Quad: Australia, India, and Japan. The announcement that the United States will work with members of the Quad to provide one billion COVID-19 vaccines to Southeast Asian nations is an innovative development and hopefully a preview of more to come. It also illustrates the importance for the United States to continue to provide public goods in the region, whether it be humanitarian assistance and disaster relief, or assistance in battling COVID-19.

For too long, the economic leg of our Asia strategy has been weak. In many countries, the United States is seen as mostly a security partner. While regional economic integration is picking up pace, first with the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), and now with the Regional Comprehensive Economic Partnership (RCEP), Washington has remained on the sidelines. The United States risks waking up to a region where China is the ever more dominant center of trade and investment, which would give it worrisome leverage over governments' geopolitical decisions. To address this growing problem, the United States should join CPTPP, which would provide economic benefits to American workers who are currently being shut out of markets and create an environment that would shape China's behavior instead of being shaped or worse yet coerced by it. CPTPP could also be used to combat climate change, as energy usage in the production of a product during its lifetime could and should affect price and market access. The United States should also collaborate with its partners to offer high-quality, sustainable infrastructure as an alternative to China's Belt and Road Initiative, possibly through a regional fund involving Australia, India, Japan, South Korea, Taiwan, and European countries.

I have argued elsewhere that U.S.-China relations lost much of their rationale in the post-Cold War period, as the shared threat that brought the two countries together disappeared and economic ties became an increasing source of friction. Hopes that economic integration would bring about a more open, moderate, and benign China never materialized. Not surprisingly, in the face of an emboldened and more assertive China, Sino-U.S. relations have become increasingly competitive and even adversarial. The challenge posed by China is far more complex than the one the United States faced when it squared off against the Soviet Union. Unlike the U.S.S.R., China is an economic powerhouse, one that is integrated into the global economy and enmeshed in nearly every supply chain. Contrary to the later stages of the Cold War, where there were well-defined spheres of influence and a *modus vivendi* between the two principal

protagonists, those conditions are not present today. Therefore, talk of a new Cold War with China is misplaced and distortive, and fails to capture the complexities of Chinese power. At the same time, the notion of complete U.S. economic decoupling from China is misguided and unfeasible.

Xi Jinping's China is qualitatively different than Deng Xiaoping's or Hu Jintao's. China is no longer content to assume a low profile and bide its time. It is forcefully asserting its national interests and pushing to revise the regional and international orders. Xi militarized the South China Sea, after pledging to President Obama that he would not do so. Under his leadership, China has quashed Hong Kong's freedoms and democracy, in contravention of the guarantees it made to the United Kingdom and to the people of Hong Kong. It has interned millions of Uyghurs in Xinjiang. It has ratcheted up pressure on Taiwan. In short, Xi's China is anything but a supporter of the status quo.

The United States will need to maintain a balance of power in Asia, compete with China across multiple domains, and push back harder with its allies and partners against Chinese actions that threaten U.S. national interests and democratic values. At the same time, Washington should try to bound this competition so that the two countries can not only avoid enduring confrontation and crisis, but work together on issues such as North Korea, Iran, Afghanistan, global health, and climate change. The goal of our China policy should be to shape China's choices, to impose costs when China takes actions that harm our national interests and values, and to reward responsible Chinese behavior. While we should call out China's domestic abuses when we see them, the principal focus of U.S. foreign policy toward China should be on shaping its external behavior, where our interests are many and large and our potential for influence substantial. What I describe here constitutes a classic diplomatic challenge for the United States and its allies and friends. It promises to be demanding, but it can be done. By contrast, regime change in China is beyond our ability to induce, and in any event is not a prerequisite to a successful China policy.

We should recognize that deterrence is eroding in the Indo-Pacific and we need to redouble our efforts to invest in capabilities that can deter Chinese adventurism and ensure that U.S. commitments are credible. This will entail shifting forces to Asia, dispersing them, and hardening systems and facilities. It will also require imploring our allies to invest more in their defense. We should continue to conduct freedom of navigation operations in the South China Sea, encouraging other nations to join, and finally ratify the

United Nations Convention on the Law of the Sea (UNCLOS), which would help our standing when advocating for international law of the sea. The core point here is that if the United States and its allies do not maintain an effective balance of power in this region, it will be impossible to protect our national interests and values in the period ahead.

Much work also remains to be done to address our imbalanced economic relationship with China. In the trade realm, the phase one deal negotiated under the last administration was not sufficient, but it is important that we hold China to its commitments, which it has yet to meet. We should focus on getting China to abide by the commitments it made when it joined the World Trade Organization, and seek to work with partners to reform the WTO. While some measure of decoupling in high-tech sectors is necessary, it is counterproductive to block trade in non-strategic areas such as agriculture and basic manufacturing. We should forge a more comprehensive trade deal that provides more market access in China for U.S. firms. We need as well to place a greater emphasis on supply chain resilience and work with partners to create trusted supply chains for critical goods. Diversification of sources, stockpiling, and domestic production all have roles to play. And we should develop with our allies and partners a shared approach to push back against Chinese economic coercion.

It is essential that we develop a strategy for emerging technologies such as artificial intelligence, quantum computing, and both 5G and 6G. Decoupling in many of these areas is inevitable. But we should be more selective in choosing which technologies to put restrictions on, using a scalpel rather than an axe. We will need to build evolving coalitions to deal with each of these issues. For instance, an ad hoc group on semiconductor equipment exports should include Germany, Japan, the Netherlands, South Korea, and Taiwan. A coalition to address telecommunications technologies should count Finland, Japan, South Korea, and Sweden among its principal members. A one-size-fits-all approach to these issues is destined to fail.

U.S. success across all these domains will depend on offering better options than does China. Too often, however, the U.S. approach has been to pressure countries to reject Chinese financing and products without offering alternatives. One could now say that U.S. policy toward China begins at home. To compete with China, the United States should markedly increase federal funding for basic research and development, reform its immigration policies to attract the best and brightest, and modernize its infrastructure. It should

offer to the Indo-Pacific an affirmative agenda that includes high-quality infrastructure for countries in desperate need of such investment, closer trade ties, and increased people-to-people exchanges. Joint projects with allies and partners will also give partners added reason to work with us to limit China's access to sensitive technologies or to exploit supply-chain dependencies.

An important dimension to competing with China will be to demonstrate the success and appeal of our domestic model. To display competence in overcoming the COVID-19 pandemic, to oversee a robust economic recovery, and to demonstrate that democracy can meet today's challenges undermines China's attempt to justify its domestic repression and export its autocratic model. Much of what we did or failed to do in recent months and years gave China room to push its narrative that democratic principles and practices are ill-equipped to deal with this era's opportunities and risks. This must change.

Through all of this, we should keep in mind that China also faces multiple internal problems, from an oppressive political system that can stifle creativity and criticism to an economy in fundamental transition, an aging population that will soon shrink, environmental degradation, an inadequate social safety net, and a poor healthcare system. Its politics are top-heavy and increasingly personalized, and there is no legitimate succession plan for when Xi Jinping no longer exercises power. The United States can compete with China over the long haul if we are diplomatically, economically, and militarily present in the Indo-Pacific and strong at home; indeed, it is inconsistent to advocate a tough China policy and not push for a united, competitive America.

I want to spend some time speaking about Taiwan, because it may well be the only current issue that could lead to a full-scale war between the United States and China. The chance of conflict is increasing: China's military modernization is giving its leaders greater confidence that they can use force to achieve their objective of unification, while Beijing likely also feels emboldened as China met little resistance when it militarized the South China Sea and moved against Hong Kong. The stakes for the United States are enormous. If it fails to respond to a Chinese use of force, there is a real risk that regional allies will conclude that the United States cannot be relied upon. These Asian allies would then either accommodate China, or they would seek nuclear weapons in a bid to become strategically self-reliant. The 24 million people of Taiwan would see their democracy and freedoms crushed. China would subsume the island's vibrant, high-

tech economy and overnight become the world's leading semiconductor manufacturer. China's navy would gain an increased ability to project Chinese power throughout the western Pacific.

We should act to reduce the chances of Chinese aggression and maintain the status quo in the Taiwan Strait. An agenda should include developing a credible plan to deny a PLA fait accompli, making contingency planning for a conflict a top priority for the Pentagon, and coordinating contingency planning with Japan. Parameters for U.S. planning should be to defend Taiwan and raise costs to China, but to do so in a manner that leaves escalatory decisions to Beijing. The United States will need to have tough conversations with Taiwan about the need for it to invest more in its own defense and to increase its military preparedness. The United States should make clear to China that using force against Taiwan would put its continued economic growth at risk. Congress should pass a law that would impose severe sanctions on China should it attack Taiwan. A complement to this would be to line up European and Asian support for such sanctions. The United States should work with Taiwan to help it resist Chinese coercion. Washington should assist Taiwan with cyber defense and help it diversify its economy, which the United States can facilitate by exploring a bilateral trade agreement with the island. At the same time, the United States should make clear to Taiwan that it does not support its independence.

Finally, in addition to these steps, the United States should update its declaratory policy. Strategic ambiguity has served the United States well for four decades, but the assumptions that underpinned this policy are eroding. It is time for the United States to adopt a position of clarity, making explicit that it would respond to a Chinese attack on Taiwan, as well as Chinese coercion against Taiwan such as embargoes. And as noted above, it is essential that such a change in declaratory policy be accompanied by changes in U.S. planning, capability, consultations, and commitment. All this is far more important and far more constructive than symbolic upgrades to how we conduct relations with Taiwan.

North Korea continues to improve its nuclear arsenal, and there is no evidence that the previous administration's approach has lessened the threat. At the same time, strategic patience – which is a fancy phrase for neglect – will not work. Nor will an all-or-nothing U.S. policy that offers to remove all sanctions in exchange for North Korea's complete denuclearization, in which case we will end up only with a growing North Korean nuclear arsenal. Instead, what we need is a more modest approach, a "something-for-

something” deal. In this scenario, North Korea would halt testing and commit to limits on its arsenal in exchange for some sanctions relief. The goal of denuclearization would not and should not be abandoned, but it would be understood to be a long-term objective.

I want to close by making ten points to counter widespread myths, hopes, and narratives about the region:

1. We should stop talking about regime change in China – it is beyond our capacity to produce and it is unclear that a more liberal and restrained China would emerge. Fashioning a comprehensive foreign policy toward an authoritarian China must be a national security objective. The good news is that it is not just necessary but doable.
2. The term “Cold War” is not an accurate depiction of the U.S.-China relationship, and containment is not a feasible doctrine. China is fundamentally different from the former Soviet Union and the U.S. response should likewise be different.
3. Having frank conversations with China’s top diplomats and holding a real strategic dialogue with Beijing on a regular basis is in our national interest. Those conversations should not be made conditional on Chinese behavior or viewed as a favor that we do for China.
4. Trying to force countries to choose between the United States and China will not work. Here as elsewhere, all-or-nothing demands will likely produce the latter.
5. Talk of a NATO for the Asia- or Indo-Pacific is misplaced and unnecessary. These countries do not have shared threat perceptions, and there is too much historical baggage to put together such an alliance.
6. Europe’s appetite for confronting China is limited. Generally, European countries do not view China as a systemic problem. Europe will resist broad efforts to isolate China economically, and both will not and cannot play a meaningful role in contending with it militarily.
7. While India is an important partner, it is unlikely to become a formal ally. It wants to avoid a breakdown in its relations with China, and will zealously guard its strategic autonomy while it focuses on managing its fraught relationship with Pakistan, its domestic development, and its border with China.
8. To promote democracy and partner with democracies should not be an exclusive organizing principle of our approach to the region. The United States will need to collaborate with non-democracies like

Vietnam in order to balance China, but we will also need to work with non-democratic China to deal with specific challenges, such as North Korea.

9. We should not conclude that what has worked for forty years regarding Taiwan will continue to work. What is required is an adjustment of the means of U.S. policy, not the ends.
10. Military presence is an essential dimension of what we do in the Indo-Pacific, but it cannot substitute for an adequate diplomatic and economic presence and policies. Nor can the United States succeed in the Indo-Pacific if it remains divided at home and unable to act on policies essential for its competitiveness.

Again, thank you for the opportunity to testify on a region that will, more than any other, shape this century. I look forward to your comments and questions.

Mr. BERA. Thank you Dr. Haass.
Let me now recognize Mr. Schriver for his testimony.

**STATEMENT OF THE HONORABLE RANDALL G. SCHRIVER,
CHAIRMAN, PROJECT 2049 INSTITUTE, FORMER ASSISTANT
SECRETARY OF DEFENSE FOR INDO-PACIFIC SECURITY AF-
FAIRS**

Mr. SCHRIVER. Thank you, Mr. Chairman, Ranking Member Chabot, and distinguished members of the subcommittee. I appreciate being included in this hearing and given the opportunity to express some thoughts on these important strategic matters.

The Indo-Pacific is indeed where our country's future fortunes will largely be determined, and, of course, our most significant strategic competitor, China, also resides in this region. Our interest in the Indo-Pacific are enduring, but the challenges are involving. The inheritance, I believe, from the previous administration is a strong one. The previous administration named the Indo-Pacific region as the priority theater, recognized the necessity of adopting a more effective competitive posture vis-a-vis China, provided stronger and more visible direct support to Taiwan, nurtured and grew emerging partnerships with countries like India and Vietnam, gave unprecedented attention to the Pacific Islands, and began implementing policies to sustain and promote a free and open Indo-Pacific. All this despite the efforts of the Chinese Communist Party to actively undermine that order.

The previous administration worked with Congress on a number of important initiatives, on reforms to CFIUS, on the creation of the Development Finance Corporation, and investing in our joint force, making it more lethal and with PLA as a pacing element in mind.

Of course, the previous administration benefited greatly itself from the work of its predecessor administration. In many ways, the last administration's policy of a free and open Indo-Pacific was a natural successor to the Obama Administration's pivot to Asia.

And so I think we will likely see continuity, which in my opinion is a good thing. I am encouraged by many of the statements and actions coming out of the Biden Administration through its earlier days. Like you, Mr. Chairman, I applaud the meeting of the Quad at the Presidential level. I welcome the two-plus-two meetings with Japan and Korea, and Secretary Austin's follow-on trip to India. And the continued recognition of China as its strategic competitor and the need to partner with like-minded countries preserve a free and open order is the appropriate vision.

So, given this good start, rather than criticize the new administration, I would like to forward some thoughts and recommendations, as there are still policies under review and positions yet to be revealed.

First, I believe the Biden Administration should continue to make competition with China its true priority in both word indeed, and it should be sufficiently resourced across all domains. Our alliances with Japan, South Korea, and Australia should be understood to be our greatest asymmetric advantage in this competition.

Two, it should be the goal of the United States to maintain a military edge and to achieve a high degree of confidence that the

U.S. would prevail in a range of known contingencies with China. This will necessitate wise implementation of the Pacific Deterrence Initiative. And it will also necessitate thoughtful approaches to how we might deploy ground-based precision fire capabilities that are now allowed after the withdrawal from the INF Treaty.

Three, human rights and democracy promotion should be major pillars in our foreign policy, including in the Indo-Pacific, where we should also consider the geopolitical environment, and we must be deft enough to avoid pushing allies and partners further into China's camp. We should also be willing to raise the cost to the CCP for China's historic human rights abuses and not shy away from articulating a vision for a future of the Chinese people beyond authoritarian control and abuse.

Four, the technology competition with China is very real and critical to the overall strategic competition. We should continue to develop tools to protect our technology, ensure the integrity of our critical supply chains and reduce vulnerabilities, and work with partners and allies to achieve the same. But prevailing in a tech competition is most dependent on out-innovating the other side. So we need our government to support entrepreneurship and innovation. And we should think creatively about where we are willing to bear risk.

Five, the Quad should be made more meaningful on the defense and security side. This can be done through more complex exercises and more real-world cooperation. But we should also consider a flagship initiative, perhaps, in the area of maritime domain awareness and maritime security across the region to make it meaningful.

Six, I very much agree with Dr. Haass, we should pursue some type of flagship trade agreement. We need to be in the game as economic and trade and commerce are really the lifeblood of this region.

Seven, I believe engagement with Taiwan should be enhanced, and U.S. support should be made more visible to further strengthen our deterrence against the PLA invasion. And I agree we should move away from strategic ambiguity and toward strategic clarity and tactical ambiguity.

And, finally, related to DPRK, I believe the Biden Administration should recreate the maximum pressure campaign directed at the DPRK but resist providing the early and quick diplomatic off-ramps before the sanctions come into full effect. I think this would also mean dealing with the DPRK as a de facto nuclear state and all that that entails with deterrence and counter nonproliferation while still pursuing denuclearization.

Thank you, and I look forward to your questions.
[The prepared statement of Mr. Schriver follows:]

Randall G Schriver

Chairman of the Board, The Project 2049 Institute

**U.S. House Foreign Affairs Committee Subcommittee on Asia, the
Pacific, Central Asia, and Nonproliferation**

“America’s Way Forward in the Indo-Pacific”

19 March 2021

Mr. Chairman, Ranking Member Chabot, and distinguished members of the Subcommittee. Thank you for inviting me as a witness to provide thoughts on these important, strategic matters related to U.S. policy in the Indo-Pacific region. It’s an honor to provide my views for this committee’s consideration.

I particularly appreciate the forward-looking nature of this hearing, even captured in the title itself: “America’s way forward.” Because it is indeed in the Indo-Pacific where our country’s future fortune’s will largely be determined. This region is where one finds over half the world’s population, one third of the global economy, six out of the seven of the world’s strongest militaries, and all five of the globe’s top 5 users of energy and top 5 emitters of carbon dioxide respectively. Given its weight across these areas and more, the Indo-Pacific region will be the driver of our well-being as a nation in ways no other region can. And of course, our most significant strategic competitor, China, also resides in the region.

Our interests in the Indo-Pacific are enduring: to the protect the American people, to promote American prosperity, to preserve peace through strength and the maintenance of a favorable military balance, and to maintain and expand the free and open order. It is the set of challenges that potentially complicate our ability to promote those enduring interests that is evolving. And thus, our policies must evolve (while still guided by some anchoring principles).

President Biden assumed office at a time of enormous challenges ranging from the pandemic, to serious societal and political divisions at home, to global climate change, to an accelerating innovation curve that may bring several inter-related disruptive technologies online simultaneously. The Administration also faces a number of challenges in the traditional security space when one looks at growing threats from China toward Taiwan, Japan, India and the regional commons, as well as threats from a DPRK as it has continued to advance its nuclear weapons capabilities.

The inheritance from the previous Administration is a strong one despite some analysts who are overly dismissive because they didn’t like the tone of the previous President, or some of the pet issues he pursued (e.g., burden sharing with allies). The previous Administration named the Indo-Pacific region the priority theater, recognized the necessity of adopting a more effective competitive posture vis-à-vis China, provided stronger and more direct support to Taiwan, nurtured and grew emerging partnerships with countries like India and Vietnam, gave unprecedented attention to the Pacific Islands and began implementing policies to sustain and promote a free and open Indo-Pacific despite the efforts of the Chinese Communist Party (CCP) to actively undermine that order. The previous Administration worked with Congress on

important reforms on CFIUS, and on improving mechanisms to support U.S. outbound investment through the Build Act. The Administration and the Congress also worked with one another to resource investments in the military that enhanced the lethality of our joint force with China and the People's Liberation Army (PLA) as the main pacing element.

The previous Administration itself benefitted greatly from the good work of its predecessor Administration in the Indo-Pacific. In many ways, the last Administration's policy of "a free and open Indo-Pacific" was the natural successor to the Obama Administration's "pivot to Asia" (later called the "rebalance"). It would be accurate to note that the last Administration's policies were more evolutionary than revolutionary. The last two Administrations recognized the growing importance of the region to our interests, the evolving challenge from China, the importance of modernizing alliances, and the strategic significance of the emerging partnerships non-alliance countries such as India, Vietnam, and Indonesia.

Given a strong inheritance, sustained policies across two previous Administrations, and the growing consensus in Congress around the China challenge, I think it's reasonable to expect continuity going forward. This may strike some as counter-intuitive given the very different tone and styles of leadership between the previous Administration and the current – but it seems clear the fundamental objectives and trajectory are sound. The fact of the matter is that U.S. policies are being developed in response to the CCP's revisionist aspirations, increasingly assertive behavior in the region, and gross violations of human rights at home – and this would be the case no matter who occupies the White House.

From my perspective, there are many encouraging statements and actions coming from the Biden Administration through its early days. I applaud last week's meeting of the Quad at the Presidential level. This week's two plus two meetings with Japan and Korea, and Secretary Austin's follow-on travel to India are also positive steps. The continued recognition of China as a strategic competitor and the need to partner with like-minded countries to preserve a free and open Indo-Pacific set the appropriate vision.

Given this "good start" rather than criticize the new Administration, I'd like to forward some questions that remain regarding the direction policy will ultimately take as various reviews are concluded and interagency work is done. As there are still policy positions yet to be revealed. I'd suggest this committee exercise its oversight function to query Administration officials on a number of these outstanding questions such as:

The previous Administration was quite clear that competition with China was the priority challenge, and would serve as the organizing principle for most of the executive agencies including the Department of Defense. In the Biden Administration's interim national security strategic guidance, it seems less clear – China is mentioned well after other issues such as climate change and combatting the pandemic. How will priorities be set and where will competing with China be ranked?

Most Administrations claim that their approach to China is informed by some version of "cooperate where we can, compete where we must." This was true of the last Administration that pursued trade deals with China, cooperation on the DPRK, and military confidence building

measures. If climate change is defined as an existential threat and higher priority issue for our national security strategy, how will the Biden Administration pursue bilateral climate and energy cooperation with China while at the same time sustaining a competitive edge in key areas?

The Biden Administration has signaled future defense budget cuts. But the criticism of the Obama Administration's pivot to Asia was "right vision, insufficiently resourced." How do we continue to enhance lethality and maintain a military edge if resources dip?

The Biden Administration has talked about elevating the issue of human rights in our relationships with friends and foes alike. What does this mean for the relationship with China particularly in light of the ongoing genocide? Will the Administration call for a boycott of the Beijing Olympics in 2022? Equally important, what does this mean for our allies and partners where we have seen some backsliding? Will there be moves to curtail engagement with allies and partners such as the Philippines, Thailand, and India?

What are the measures of success in the tech competition with China? Which elements are the most important for success – protection of US technology, thwarting Chinese innovation in areas with military applications, or enabling higher paced innovation at home?

Many strategists criticized the last Administration for halting efforts to join a Trans Pacific Partnership agreement and for lacking a coherent trade and economic strategy for the region. Will the Biden Administration pursue multi-lateral trade liberalization? Bilateral trade deals? What will the economic pillar of the Indo-Pacific strategy look like?

Will the Administration continue to ensure Taiwan's continued existence and survival as a democracy and deny the CCP's ambition to subjugate the people of Taiwan to authoritarian rule? Will the previous Administration's support for higher level engagement with Taiwan be sustained?

By taking part in leader-to-leader engagement with the DPRK, the previous Administration seems to have exhausted all forms of engagement in pursuit of denuclearization. What will the Biden Administration's approach be to the DPRK and nuclear issues?

Again, these are questions regarding some of the policies that have yet to be revealed, not a suggestion the Biden Administration is off-track. In closing, I offer some recommendations that address some of the above questions as well as other issues. I recommend:

1. The Biden Administration should continue to make effective competition with China its true priority in both word and deed, and it should be sufficiently resourced across domains; alliances with friends such as Japan, South Korea and Australia should be understood to be our greatest asymmetrical advantage in this competition if managed appropriately.
2. It should be the goal of the U.S. to maintain a military edge and to achieve a high degree of confidence that the U.S. and our allies would prevail in the range of known contingencies with China; this will necessitate wise implementation of the Pacific

Deterrence Initiative to enhance the survivability of U.S. forces even in a protracted fight. The Administration should also make known its intention to deploy ground-based precision fire capabilities now allowable after the withdraw from the INF Treaty.

3. Human rights and democracy promotion should be major pillars of U.S. foreign policy including in the Indo-pacific. Consideration must be given to the geo-political environment and we must be deft enough to avoid pushing allied and partnered countries in the direction of China's camp – which would only risk more back-sliding and less influence for the U.S. We should raise the cost to the CCP for China's historic abuses of human rights and not shy from articulating a vision for a future for the Chinese people beyond authoritarian control and abuse.
4. The technology competition with China is very real and critical to the overall strategic competition. We should continue to develop tools to protect our technology, ensure the integrity of our critical supply chains to reduce vulnerabilities, and to work with partners and allies to achieve the same. But prevailing in the tech competition is most dependent on out-innovating the other side. More government support should go toward enabling an environment conducive to entrepreneurship and innovation, and we should think more creatively about where we are willing to bear risk.
5. The Quad should be made meaningful on the defense and security side. This can be done through more complex training and exercises, through enhanced real world operational cooperation (e.g., tracking PLA submarines), and by pursuing flagship initiatives. On the last point, the Quad should think about activities and associated capabilities required to strengthen maritime domain awareness and maritime security across the region.
6. The Biden Administration should pursue a flagship trade agreement in the Indo-Pacific; We need to be seen as being “in the game” and providing an attractive alternative to trade agreements with China. The good work of the previous Administration on implementing the Build Act with the creation and resourcing of the Development Finance Corporation should be continued and even accelerated.
7. Engagement with Taiwan should be enhanced and U.S. support made more visible to further strengthen deterrence against a PLA invasion. Declaratory policy should shift away from so-called “strategic ambiguity” and in the direction of “strategic clarity, tactical ambiguity. It should be said it is in our strategic interest for Taiwan to survive and exist in its current status or better, and it is not in our interest for Taiwan to be absorbed by the CCP.
8. The Biden Administration should recreate “maximum pressure” directed toward the DPRK, but resist providing diplomatic off-ramps too quickly. The Administration must also deal with the DPRK as a de facto nuclear weapons state and all that entails with respect to our deterrence posture, non and counter-proliferation tools, and sustained pressure. This should be done while denying the DPRK legal and official recognition of a nuclear weapons state and while still pursuing complete, verifiable, irreversible denuclearization (CVID).

Thank you again for the opportunity to participate in this hearing. I look forward to your questions.

Mr. BERA. Thank you, Mr. Schriver, for your testimony.

I will now recognize members for 5 minutes each. And, pursuant to House rules, all time yielded is for the purposes of questioning our witnesses.

Because of the virtual format of this hearing, I will recognize members by committee seniority, alternating between Democrats and Republicans. If you miss your turn, please let our staff know, and we will circle back to you. If you seek recognition, you must unmute your microphone and address the chair verbally.

I will start by his recognizing myself for 5 minutes.

You know, each of you touched on a number of consistent themes. And maybe I will ask three questions, one to each much of you. Dr. Haass, you talked a bit about—or each of you talked about the importance of multilateral partnerships with likeminded friends and allies in the region. You know, let's talk about the Quad for a second. I would love to get your perspective on, one, do we more formalize the Quad into a more formal organization and your thought there? And how should we use the Quad to then engage the ASEAN nations, you know, that obviously also have a critical stake? So your thoughts there.

Ms. Rolland, I would ask you a question. You know, obviously, Taiwan and Chinese aggression to Taiwan looms large on our committee's mind, and, you know, we want to make sure they do not make a misstep. I am glad in my conversations with our friends in Japan or our allies in Japan, I am glad the Japanese raised it with Secretaries Blinken and Austin. Your thoughts—as we formulate a more strategic approach working closely with our allies in Japan, I think it is the right strategy. But how are the Chinese going to view that closer alliance in their perspective and counter?

And then, Mr. Schriver, you touched on the importance of maritime security and the like, and that is something we are clearly going to focus on in this committee. We have seen, you know, the Chinese Coast Guard becoming much more aggressive both in the South China Sea and the East China Sea with some of the smaller ASEAN nations. So, as we are thinking through that strategy, how should we as well as the Biden Administration adjust our U.S. Strategy in both the South China Sea and the East China Sea.

So, Dr. Haass, let's start with you.

Dr. HAASS. Well, thank you, sir. Let me just say two things. I think the Quad is important, but to try to formalize it, I would like to argue, you would actually risk it. India, in particular, has a long tradition of strategic independence, and I believe will shy away from anything that smacks of an anti-Chinese alliance.

I think, more broadly, given the many types of challenges we face in the region from North Korea to various China-related challenges to others, we have flexibility to order the hallmark of our approach to multilateralism. For different challenges, we put together different groupings of partners and allies. And we, again, ought to mostly eschew having anything that is so formal.

I think, with the ASEAN countries, something I would recommend is—and it gets at Ms. Rolland's comments—which is as part of a response to BRI. I would think that a U.S.-coordinated and—led infrastructure initiative could be something that was very attractive, an infrastructure broadly defined. And just like now we

are getting more active in the region through the Quad in things like vaccines. I think a provision of public goods to the region and specific goods and services to various countries ought to be increasingly an example or a priority for what it is we usually do in the region.

Mr. BERA. Great. Ms. Rolland.

Ms. ROLLAND. Thank you, sir.

Regarding Taiwan, I think, obviously, the military deterrence is extremely important, and strengthening the alliance system in Asia is one part of this response the U.S. can have.

In addition to that, I would submit that Taiwan is under enormous pressure, also, in the influence of operations realm. And there are things that I think the U.S. and its allies could do to better defend and protect the cyberspace.

And, finally, I think the strengthening Taiwan's international diplomatic space as well within international institutions is something that the U.S. can do not just with its allies in Asia but also in Europe and in other places. I think these are three points that could help with deterring further aggression of Taiwan. Thank you, sir.

Mr. BERA. And Mr. Schriver.

Mr. SCHRIVER. Thank you. Maritime security begins with maritime domain awareness. And in that regard, many of our partners need to develop more capabilities. So capacity-building is a big part of this. We need countries to be able to see and sense, but also share. So networking is a part of this. So targets of interest can be held and passed between countries who share that overall vision for a free and open order.

And then response, having the platforms that can operate in ways that challenge vessels that are operating in illegal expansive ways. Of course, the United States can operate across the full spectrum of seeing, sensing, sharing, and responding. We need other countries to be able to move further on that spectrum through capacity-building and partnerships.

Mr. BERA. Thank you. And I appreciate all of those perspectives and look forward to working with the three of you.

Let me go ahead and raise my good friend from Ohio, the Ranking Member Mr. Chabot, for 5 minutes.

Mr. CHABOT. Thank you, Mr. Chairman.

And, Secretary Schriver, I will go with you first, if I can. I am one of the co-chairs of the congressional Taiwan Caucus. In fact, I was one of the original founders about two decades ago. And over the past 2 years, China has been increasingly provocative in trying to intimidate Taiwan. That is nothing new, as I think we know, but they have been particularly outspoken recently. An INDOPACOM Commander Admiral Phil Davidson testified recently before the Senate Armed Services Committee, and he stated that he thought that China could invade Taiwan within the next 6 years. What is your opinion with respect to both Taiwan's and the U.S. military's current state of preparedness in such an event? And you mentioned in your statement, strategic ambiguity, as Dr. Haass did, and I agree with both of you that that is dangerous. And could you elaborate on what would be a better policy with respect to strategic ambiguity?

Mr. SCHRIVER. Thank you. The risks of Taiwan are growing because of Chinese investment in their capability to operationalize a Taiwan contingency. But this situation is dynamic. Taiwan can do things to respond. The United States can do things to respond as well. So I certainly noted Admiral Davidson's comments. But I do not know that we can be that precise in the timeline because, again, it is dynamic, and it depends upon how we respond to the growing PLA threat.

I do believe Taiwan is on the right track with its overall defense concept, and the acquisition of some of the systems they are now investing in. ISR capabilities, for example, through unmanned systems. The coastal missile defenses. And I think our planners at INDOPACOM and the Joint Staff are thinking about a scenario in much more realistic ways and thinking about how we might have to fight in ways that are putting us on the right track.

Of course, the comedian Will Rogers said, "Even if you are on the right track, you can get run over if you are not running fast enough." We do need a sense of urgency and a sense of purpose in these matters, and so we need to work on this very diligently.

On strategic ambiguity, the formula that I like—and I applaud Dr. Haass' contribution to this conversation—the formula I like is strategic clarity and tactical ambiguity. I think with respect to strategic clarity, we should say it is in our interest for Taiwan to continue to survive and exist in its current form or better. As a fellow democracy and a likeminded partner on so many regional and global issues, we should be able to say is it not in our interest for Taiwan to be controlled by the CCP and Beijing and brought under its authoritarian rule.

We will always have tactical ambiguity when it comes to response because response would be highly scenario-dependent. And there are certainly a range of things we can do in a contingency, and there are a range of things the PLA might do. A blockade is different than an all-out attack.

So I think that formula of clarity on the strategic side and ambiguity on the tactical side would strengthen our position.

Mr. CHABOT. Thank you. Let me just followup with you, Mr. Schriver, at this point. Along with my colleague, Brad Sherman, we together are co-chair of the India Caucus. And the Indians have historically had different threat perceptions with respect to China. But in light of the Galwan Valley Incident, those perceptions are likely changing somewhat. With that in mind, how should we expect India to contribute in the future to our efforts to maintain regional stability and counter Chinese aggression?

Mr. SCHRIVER. Well, thank you. I am optimistic that our partnership with India will grow. This is the work over several administrations. The Obama Administration did a terrific job building the defense relationship. I would like to think the Trump administration contributed as well. But a lot of this isn't just being driven by the strategic landscape and the understanding that China has ambitions on Indian territory. China is a partner of Pakistan and sees that as a counter way to India to try to divert their attention to their other border.

So we have been able to leverage that shared understanding of the threat to really enhance our cooperation. I agree that we will

probably not formalize anything in a bilateral alliance or even a multilateral grouping in a formal way. But in terms of real cooperation, we are seeing very positive developments. And I think, for us, if the Indians are able to secure their territorial interest with enough capability to deter China and to be able to operate in the Indian Ocean more effectively so that that critical part of the Indo-Pacific remains free and open, and smaller South Asian States are secure in their own sovereignty and with their interest, India can be a great partner to us in that record.

Mr. CHABOT. Thank you, Mr. Chairman.

My time has expired, but let me commend you and committee staff on both sides for really putting together a tremendous panel of witnesses here this morning, and I yield back.

Mr. BERA. Great. Thank you, Mr. Chabot.

Let me recognize my colleague from California, Mr. Sherman, for 5 minutes.

Mr. SHERMAN. Mr. Bera, congratulations on your first hearing of the new Congress.

Of course, your first hearing of the subcommittee, I always remind people, was the first hearing of Congress to focus on COVID.

And I want to associate myself with your comments about the AAPI community and understanding that, while we may criticize the Communist Party of China, we embrace the AAPI community in our country.

We have spent over the last several years half a billion dollars in aid to the government of Myanmar, Burma. That was clearly wrong given their treatment of the Rohingya. It is even more wrong to continue that, given the recent coup. I would hope that we would feel—get ways to turn down the temperature, the naval temperature in the South China Sea.

Dr. Haass and Mr. Schriver both pointed out that a critical part of this is our research on new technologies in the future. I need to point out that, due to an accounting convenience rule that was established over 20 years ago, all American corporations are punished in their earnings per share, the most important thing to those corporations, when they spend money on research. And this pernicious accounting quirk is probably depressing the amount of research we are doing by 10, 20, maybe even 30 percent. Reversing it would not cost us a penny.

As we see today, witnesses that come before us tend to do it virtually. And this means that we can have witnesses to our full committee or our subcommittee, wherever they happen to be, even if they had come to the United States, for convenience reasons or because our State Department will not give them an appropriate visa.

Dr. Haass, would it be a good idea for us to have as a witness at a briefing or hearing the Foreign Minister of Taiwan? What message would that send?

Dr. HAASS. Well, again, what it would send is another sign you of normalization, if you will, between the United States and Taiwan. And I have not thought about that specific thing, but let me just make a larger point here.

Mr. SHERMAN. Dr. Haass, I have got limited time, and we have got to move on. Dr. Haass, I have got limited time, and I have to move on.

All of us on this committee and our witnesses live in a world where we get to think of—the geopolitics and how the world is going to look decades from now. Our constituents live in the real world. They are not worried about the end of the world, but they are worried about getting to the end of the month.

Every dollar of trade deficit we run with China probably costs us on the order of 10,000 good jobs. So you can see how a trade deficit of hundreds of billions of dollars affects our people every day. Does any witness have a particular step or two we could take to reduce our trade deficit with China? I am looking for—I do not—Dr. Haass, do you have—

Dr. HAASS. Well, again, I do not think that reducing our trade deficit with China per se ought to be a goal of American foreign policy. The order—

Mr. SHERMAN. Dr. Haass, that isn't responsive to the question. Thank you. I will go back to my constituents and tell them it should not matter to them—

Dr. HAASS. Well, Congressman, if you are going to have to ask these questions—

Mr. SHERMAN. Dr. Haass—

Mr. HAASS [continuing]. I would think you would want to let me answer them.

Mr. SHERMAN [continuing]. This is the third time you have interrupted me. Dr. Haass, please.

China has made an enormous investment in American debt. And, yet, the things that cause the currency to go down are running a trade deficit with the world and running a budget deficit fiscally.

Mr. Schriver, from the Chinese perspective, do they think that they need to reduce the trade deficit or take any other steps to protect them from a precipitous decline in the value of a dollar?

Mr. SCHRIVER. The Chinese understand that trade deficit and the amount of debt they hold gives them a certain amount of leverage. Of course, it also binds them to us.

Mr. SHERMAN. Oh, I disagree with you. If you owe the bank money, they have got leverage over you because they can foreclose. If you owe the people money in international affairs, there is no foreclosure. If my bank could not foreclose on my house, my banker would be very nice to me. Do you see them moving out of U.S. debt?

Mr. SCHRIVER. Well, I do not because I think it is the best place for them to put the surplus money that they have. They are not investing solely to gain leverage over us; they are they investing because they have got to do something with all of that currency.

Mr. SHERMAN. I yield back. Thank you.

Mr. BERA. Let me go and recognize my colleague from the great state of Pennsylvania, Mr. Perry, for 5 minutes of questioning.

Mr. PERRY. Thank you, Dr. Bera. Congratulations on the hearing. Thank you very much.

Dr. Haass, I am going to come to you in a minute and let you respond to my good friend from California, but I do have a question in the meantime for Secretary Schriver. Let me lead up to that for a moment. As the administration embarks on establishing the Indo-Pacific strategy, I hope to discuss perhaps one of the more

pressing issues relating to the region, at least in my opinion, and that is the security of Taiwan.

Very shortly, I will be introducing the Taiwan Plus Act. The bill would raise the value threshold for arms sales to Taiwan before the President would have to notify Congress. So I want to give the President some flexibility to do that. It will also cut down on the notification time the President would need to provide Congress for defense articles that exceed the values of the threshold from 30 to 15 days.

Other than NATO, there are five other countries, the so-called NATO-plus group that enjoy these privileges. They are Australia, South Korea, Japan, New Zealand, and, of course, Israel. We do have a time limit on it. And there is history regarding the U.S.-Jordan Defense Cooperation Act where we can rescind that if the situation changes.

Assistant Secretary, I want to just ask you, I know I am hitting you with this cold, but your general thoughts regarding what I characterize as the Taiwan Plus Act and whether or not you believe the legislation could work in tandem with already existing efforts to ensure deterrence against China, and my interest is in deterrence. What are your thoughts?

Mr. SCHRIVER. Well, thank you. And as I said in my statement, we do need a sense of urgency. And so anything that gives greater flexibility to the U.S. administration to provide security assistance to shorten timelines, I am all for it. So I appreciate your initiative and would very much support the legislation and hope it is successful.

Mr. PERRY. All right. Thank you, sir.

Dr. Haass, I just feel like you have been kind of maligned there in your treatment a little bit. I want to yield you a little time to answer the question that was kind of posed for you and you were not allowed to answer. If you do not mind.

Dr. HAASS. Thank you, sir.

Let me say two points. On Taiwan, like, for example, meetings with their Foreign Minister, I would think that I would not emphasize such symbolic upgradings of ties with Taiwan. What I would focus on is the real meat of our relationship. What do we do to increase our ability to deter, prepare for, or defend against Chinese coercion or aggression? That to me ought to be what Congress focuses on, rather than things that simply take a stick and poke China in the eye. There are ways you can functionally do things with Taiwan, but symbolic things that provoke ought not to be fundamentally what we are about.

With trade, is the other question I was asked. Again, balances do not matter. What I care about is China doing anything to unfairly advantage their export stock, that stock

[inaudible] And our American firms having the access they need to China's market. And the only thing that should hold us back there is our need to be selective on what technologies we are allowed to go there.

Mr. PERRY. All right. I appreciate your response. And I understand your opinion regarding the symbolic gesture, so to speak. And I am not saying it is not one to a certain extent. Look, I would like to get much tougher on China, completely. I would like it, if

you know anything about me, I mean, think we ought to just recognize full relations with Taiwan and consider them the true China. But, so, maybe that is a little too provocative for some people, but I think that sooner or later we are going to have to fish or cut bait with the Chinese Communist Party, and all we are doing is fiddling around the edges.

So I understand your perspective, but I do want to move forward on kind of both avenues. And I think that this is at least something in a bipartisan way that signals that we want to pull China—or, correction, Taiwan a little closer.

I mean, going back to the Secretary, what do you think if—and you know, and, look, I know this is a hard question, but how do you think the Taiwan Plus Act would be received by the Chinese Communist Party and, specifically, the General Secretary? I mean, is it going to be seen as a kind of a hollow gesture? Because they seem to blow everything out of proportion, but they seem to have some effect at doing that and chill every effort on our part to stand with our allies.

Mr. SCHRIVER. Well, that is certainly one of the problems. They object to virtually everything, which then makes it hard to sort of disaggregate it and determine which things they really care about and which they care less about. But I would think, you know, for the more sophisticated analysts on the Chinese side and the PLA side, they would see your initiative for what it is: a way to strengthen security cooperation, defense and military ties, and enhance Taiwan's deterrence capabilities and posture. So I think this would be received negatively, but certainly that is not the metric for whether or not we do something: if China does not like it. In fact, in some cases, it is the metric for why we should. And in this case, I think we should very much follow the course you are suggesting.

Mr. PERRY. Yes, and I appreciate your input. And I would agree with much of your sentiments, especially when it comes to the Communist Chinese Party. The fact that they oppose it is a signal to me that we are on the right track.

With that, Mr. Chairman, I yield back any balance of the time. Thank you, sir.

Mr. BERA. Thank you.

Let me go on and recognize my colleague from Nevada, Ms. Titus.

Ms. TITUS. Thank you, Mr. Chairman.

I thank the witnesses for being here today.

I would like to ask Dr. Haass more about Burma.

The situation in Burma is just continuing to escalate every day. Even after rebukes from the global community, the violent reaction by the military does not seem to show any signs of stopping.

ASEAN has been kind of lukewarm at best in this whole process, and we have seen some member countries actually begin diplomatic relations with the new military government.

I wonder what you think is our best course of action, working with some of our allies to try to end the conflict, and if you think it is realistic to believe that the NLD and Aung San Suu Kyi will come back, or is this push for democracy bigger than just the cult of her personality.

Dr. HAASS. Well, Congresswoman, the push is bigger than the cult of any individual. The problem is the ability of those in power now to resist the kinds of pressures you are talking about. And they are gradually beginning to expand their ties with the outside world, some of the ASEAN countries and China.

To me, it is a frustrating classic textbook case of the difficulty of translating our principles into policy and into outcomes that we want. So I think we continue to advocate for what we want.

Look, whether it is China, Russia, Turkey, Myanmar, whatever, I think what we are seeing in some ways is the limits to America's ability to influence the internal trajectories of other countries.

So, yes, we should still advocate for it, yes, we should introduce sanctions where we think it should do some good, but I think we also have to be realistic about the limits to our influence.

Ms. TITUS. Well, thank you.

Isn't that, then, conceding to China's point that we should stay out of the issues of Taiwan or Tibet or other human rights abuses, Hong Kong?

Dr. HAASS. No, none whatsoever. Hong Kong, China violated its international undertakings. We ought to be clear rhetorically. But, also, we ought to look, working with the British and others, look for financial penalties.

With Taiwan, we have all sorts of obligations under the Taiwan Relations Act. We do not have to accept the Chinese position on Taiwan or on the Uyghurs or anything else.

All I am saying is we have to calibrate our response against two things. We have got other priorities in American foreign policy, not just these. And I think, at times, we have to understand there are limits to how far we can succeed when we try to pressure other countries to change their internal workings.

This is not new. This is a recurring challenge, for example, vis—vis the Soviet Union during the cold war. And I think this will always be part of our foreign policy experience.

Ms. TITUS. Thank you.

Ms. Rolland, I would ask you to comment on our relations with China. What are some of the things where we can come together, even though we see them as our most serious competitor? And certainly the talks did not start off too well with Secretary Blinken over this past week.

Ms. ROLLAND. Thank you, ma'am.

I think the possibilities for cooperations are really very small nowadays, unfortunately. Even if many people are still hoping that we can work on global issues and problems like pandemic and climate change, I think, fundamentally, the interests of both countries are not converging.

It is important to continue to maintain communication channels, obviously, but I think we should lower our expectations about the positive outcomes that we could get from Beijing.

Ms. TITUS. Do you think strengthening our ties with Japan and Korea will help in any way, or is that just—

Ms. ROLLAND. I would also broaden the scope and not just focus on East Asia, per se. I know that this is where American allies are strong and very much in close contact with China.

But I would also urge the U.S. to think about a broader coalition of like-minded countries that extend beyond East Asia. Because the challenges that China poses are not just to the U.S., and they are not just to Taiwan. It is a broader challenge that expands to many different domains—economic, technological, human rights, but also in terms of norms.

So it is a very complex task, because it is so multidimensional. And, therefore, the U.S. should—it is impossible, I think, to focus on just one segment of it. It has to be much broader in terms of domains and in terms of allies and partners that you can find to reduce that challenge.

Ms. TITUS. We certainly see Chinese economic influence with the Belt and Road, building a port in Peru, for example. It is everywhere.

Ms. ROLLAND. That is exactly right. That is one good example.

Ms. TITUS. Thank you.

Mr. Chairman, I yield back.

Mr. BERA. Great. Thank you.

Let me recognize my colleague from Tennessee, Mr. Burchett, for 5 minutes of questioning.

Mr. BURCHETT. Thank you, Mr. Chairman.

I have a pretty simple question, because I think words are cheap on a lot of this stuff. It does not seem to really do a whole lot of times. And it is not a partisan thing, that is just my assumption of all this.

How should the U.S. respond to China's Belt and Road Initiative? It seems that is one of the most egregious things they do outside of human rights violations. They get their claws into these little countries, and then they own them. But what can we do to respond to it?

And that is for the whole panel.

Dr. HAASS. Well, I can say one thing. And, by the way, the Council on Foreign Relations has a task force coming out on what should be the response next week, an entire comprehensive study of it.

But it involves everything from working with locals, I think, on an infrastructure fund. It means new trade initiatives, joining CPTPP. It means looking at our foreign aid, who gets it, how we use it. It means looking at our immigration policy in some cases, our exchanges.

Bottom line is we have got to compete. And, Congressman, I think, if we compete with China, I am not worried so much about the reach of Belt and Road. I think, historically, we have got a lot more to offer, when it comes to technology, when it comes to investment, when it comes to trade. We have just got to get out on the dance floor.

Mr. BURCHETT. Okay. And we are not doing that right now?

Dr. HAASS. Not nearly enough, sir.

Mr. BURCHETT. Okay. Do you all have, does the Council on Foreign Relations have any parameters on how much money we should be putting into these countries?

Dr. HAASS. I will get you the report presently. How is that?

Mr. BURCHETT. All right. Will Strother in my office needs to get that, if you can.

Dr. HAASS. Yes, sir.

Mr. BURCHETT. Any of the others?

Ms. ROLLAND. If I may, sir, I have been looking at the Belt and Road for the past 7 years myself, and I think really what we need to understand, it is like Belt and Road is not just about infrastructure building. It is the focus of it, and it is where the attention went because of the trillion-dollar number attached to it, and because of some of the examples, like in Sri Lanka, where Chinese entities have seized assets in the Port of Hambantota, for example.

I think, beyond infrastructure, there are also a lot of soft infrastructures that are being built by China, including through currency swap agreements, financial integration agreements, agreements in higher education and technology, industry standards.

You need to think about BRI as China's response to American strategy, not the other way around. And, yes, we need to provide alternatives, because the way China is doing business through Belt and Road is antinomic to the way international standards are promoted. There is no transparency. There is no respect for labor rights. There is no respect for the local populations or environmental sustainability.

So, yes, it is important to provide alternatives to these countries, but also to go beyond the kind of narrow view that this is about infrastructure building. This is about creating a world where China is the predominant power in the region through a wide array of networks and knitting together the region around China.

So, in that way, I think this is why we need to be more multi-dimensional in the way we address it.

Mr. BURCHETT. All right. Thank you.

Recently, Kazakhstan has pushed back against Russia and even against Chinese Belt and Road diplomacy. What are some of the ways the U.S. can build a strong relationship with Nur-Sultan, the capital, and muscle out Moscow and Beijing?

Ms. ROLLAND. If I may, I think many of these countries want to actually have it both ways. And having China coming in is a good leverage for many of them to say, "Look, we would like to engage with other countries," so that they can then choose what is best for themselves.

This is where I think it is not just true for Kazakhstan, it is true for many of the other regions, in the South Pacific, for example, in Southeast Asia as well, and the South Caucasus.

These countries want to develop themselves, first and foremost. And so having different great powers that are paying attention to them, it is a good way to leverage one against the other and then choose what is the best option for themselves in the end.

Mr. BURCHETT. Okay. Anybody else on that?

One final thing. Is there going to be a way that we can drive a wedge between the Kazakhs and the Chinese due to the Chinese persecution of the Uyghurs?

Mr. SCHRIVER. I spent a lot of—

Ms. ROLLAND. If I may—sorry. Go ahead, Randy.

Mr. SCHRIVER. I was going to say, I spent a lot of time in the region talking about this very issue when I was in government. And it will be a slog. I mean, the governments themselves are very deferential for reasons that we can probably figure out—the prox-

imity to China, the importance of the economic relationship, and so on and so forth.

But in many cases, civil society, to the extent it exists in these places, that is where the concern is really growing.

It is interesting. They will—the governments will complain to the U.S. about moving our embassy to Jerusalem, but not a peep about the Uyghurs or the Rohingya, which is much more closer to home. But if you talk to civil society in these countries, they do have concern about how their fellow Muslims are being treated.

Mr. BERA. The gentleman's time has expired.

Mr. BURCHETT. Thank you, Mr. Chairman.

Mr. BERA. You are welcome.

Let me go ahead and recognize my colleague, the vice chair of the subcommittee, Mr. Levin from Michigan.

Mr. LEVIN. Thank you so much, Mr. Chairman.

And I am going to pick up right on your important opening remarks. We are having this hearing 3 days after shootings in Atlanta that killed eight people, six of whom were Asian women.

Hate crimes against Asian Americans in major cities skyrocketed last year by almost 150 percent, and that is just the ones that were reported.

Obviously, this is a hearing about foreign policy, not hate crimes in the U.S., but I do not think we can separate the two completely.

We talk a lot here about foreign policy challenges as they relate to China, and we should. I, myself, often talk about the Chinese Government's human rights abuses in Tibet, Xinjiang, and elsewhere. I witnessed the government's crackdown on dissent in Chengdu during the Tiananmen massacre in June 1989 firsthand.

I have no illusions about the CCP.

As we hold the government accountable, though, I think we need to keep in mind the impact our words can have on people.

Donald Trump's racist references to the coronavirus absolutely deserve blame for the spikes in attacks. Stop AAPI Hate's national report included examples of verbal attacks that parroted his words specifically.

But discrimination against Asians did not start with him. In fact, one of our country's first immigration laws was the Chinese Exclusion Act of 1882.

I say all this not to suggest that we should not tackle issues related to China or any Asian government. We should and, indeed, we must. But I think we need to take care when we talk about this to avoid language that stigmatizes people. I know I will be challenging myself to do more to stop AAPI hate.

So let me get to my first question on this topic. I want to ask Dr. Haass, how might we do a better job of separating our criticisms of CCP policies from the Chinese people and their aspirations? And how does racist language from American political leaders hurt America's standing in the region?

Dr. HAASS. Congressman, let me just say I think what you have raised is—it is troubling and important. Our Founders set out to form a more perfect Union, and, clearly, two and a half centuries later, we are not quite there. And you are pointing to some of the most recent egregious examples.

Look, I think it is important, in part, to calm down some of the public language. I was not a big fan, shall we say, to say the least, I thought it was just dead wrong to talk of things about the China virus. Yes, it almost certainly began in China. The origins are unknown.

But when it came to the United States, how we responded to it was on us. And scapegoating, it seems to me, is never a wise public policy. And the scale of the cost in the United States, that was not on China. That was on us and what we failed to do.

So I would just say more broadly, though, as I said, we should be pointing out the flaws in China. We should be putting forward a more positive image of ourselves. But we have got to have a private dialog with them.

This is the most important bilateral relationship of this era. It will have enormous impact on history and on ourselves.

Mr. LEVIN. Exactly.

With my limited time, let me get to one more question.

I want to sort of pull together some of this dialog we have been having about China, Belt and Road, and U.S., how to deal with it.

I think we need to—and some of you referred to this—I think we need to not just be reactive, but deal with the world as it is in a bold, American, innovative, creative way that provides leadership.

So, for example, might it be an effective thing—and we also need, in dealing with China, to have an industrial policy in this country.

So might it be an effective thing to deal with China for the United States to lead a hemispheric climate change initiative to help all the countries, especially the poorer countries in the region, develop wind, offshore wind, solar, energy storage on a large scale, where we could have a lot of U.S. industrial participation, but also work with them to develop their own capacity, in a way that is truly generous, but truly multilateral and regional, and that is not defensive? Because it deals with the greatest problem of our time.

So, Dr. Haass, I will start with you. And, if others, if we have time, others can jump in.

Dr. HAASS. We are in violent agreement. We ought to be offering technology. Sustainable development ought to be something that we take the lead in. A lot of BRI is still very heavily oriented toward coal.

So we ought to be looking at, just like we do in the sphere of pharmaceuticals, where can we license or make available technologies that would help other people grow, and grow in a sustainable way? That is exactly the sort of response we ought to have to BRI.

Mr. LEVIN. Thank you.

And, Mr. Chair, I think my time has expired. I do not see you.

Mr. BERA. It does look like your time has expired, Mr. Levin.

Mr. LEVIN. Thank you so much.

Mr. BERA. Let me go ahead and recognize my colleague from Kentucky, Mr. Barr, for 5 minutes of questioning.

Mr. BARR. Well, thank you, Mr. Chairman. And thanks for doing such a great job.

Again, compliments to these terrific witnesses for discussing this very significant national security challenge and the rise of China and how we respond to it.

And let me pick up where my friend and colleague from Michigan left off. And I appreciate his comments about being careful and making distinctions between the CCP and the people of China. I think it was an excellent point, and I appreciate the sentiments, the very decent sentiments of my friend.

I do want to just, though, point out that moral clarity is required in this discussion, and sharp criticism of the CCP is not racist. It is about policy, and it is about foreign policy. And I think clarity is really important.

And so, Mr. Schriver, yesterday, during the meeting in Alaska, the Chinese delegation attempted to paint the United States as hypocritical for our directly raising a number of international concerns regarding the CCP. And while I know the United States has gone through a very rough year and we have our own issues, I did want to ask a series of questions, and they highlight the differences, the moral differences between the United States and China.

Is the United States currently participating in an ethnic cleansing of its own population in State-run internment camps, yes or no?

Mr. SCHRIVER. No.

Mr. BARR. Is the United States currently stealing intellectual property from companies doing business here and then giving that technology to our military, yes or no?

Mr. SCHRIVER. Certainly not government—Federal Government sponsored.

Mr. BARR. Is the United States jailing those speaking out in favor of democracy and human rights, yes or no?

Mr. SCHRIVER. No.

Mr. BARR. No. And thank you.

And I want to highlight these differences, for when we are talking about our way forward in the Indo-Pacific we must be clear to our partners and allies—and this must be a moral clarity—of who China is and what behavior they engage in, and the moral superiority, frankly, of the Western approach and the approach of an open, free, and democratic society versus a closed Communist police State that is the CCP.

And I do not believe that that is racist rhetoric. That is rhetoric about the challenges that we confront, and it is about being clear eyed.

Let me ask Dr. Haass a question about emerging technologies, 5G, 6G, and protecting American technology.

The U.S.-China Economic Security Review Commission is a great resource for the Congress and for policymakers. And, in speaking to some of these just outstanding experts on our complicated relationship with China, it has been said that we need to be putting higher walls around fewer things, and especially when it comes to protecting American technology in the face of decoupling.

How can Congress partner with industry in the United States and in allied and partner countries to protect necessary critical technologies?

Dr. HAASS. That is exactly right, by the way, Congressman. We need higher walls around fewer things—scalpel, not sledgehammer.

I think we ought to—the first thing is to identify what those technologies are. What are the things most likely to be drivers and

make a difference in the commercial economy, in the intelligence business, in the military.

And those are the ones we have to think about funding. Not just domestically, but one of the things Congress could do also is to facilitate joint projects with the partners and allies that we spent so much time talking about in the course of this hearing.

Mr. BARR. Let me quickly talk about Belt and Road, and countering Belt and Road, followup on Mr. Burchett's line of questioning.

To any of our witnesses, how can we more effectively use the Development Finance Corporation and the Export-Import Bank in countering Belt and Road?

Ms. ROLLAND. Sir, I think this is a very important tool that is available to the U.S. I would not believe necessarily that what the Americans have to offer is necessarily what the developing world wants, because those loans and grants come with political conditionalities that many of those countries do not want to accept in terms of transparency, rule of law, et cetera.

And this is where the Chinese way of doing things—the Chinese Government's way of doing things—is a challenge, because they do not offer any political conditionality to those countries in terms of democratization or anything else.

So this is really the crux of the matter, because there are two offers there that are very different, and providing an alternative is very important.

At the same time, I think there are other ways, in addition to money and funding, that can be helpful, like skills and some sort of expertise in demonstrating that perhaps Chinese projects are not going to be sustainable in the long run. I think this is also an efficient way of coping with BRI.

Mr. BARR. Thank you, Dr. Rolland.

Well, obviously, my time has expired. I hope someone on the panel will ask about Taiwan accession to the United Nations as a deterrent to PRC aggression. And I, obviously, cannot ask that question now, but I invite someone else to.

And I yield back.

Mr. BERA. All right. Thanks, Mr. Barr.

Let me now recognize my colleague from Pennsylvania, Ms. Houlahan, for 5 minutes of questioning.

Ms. HOULAHAN. Thank you. I did not expect to be called. I very much appreciate the opportunity to talk.

My first question is for Dr. Haass, which has to do with the Council on Foreign Relations and their recent report on the role of women in terrorism. And it said that the U.S. pretty traditionally neglects the roles that women play in violent extremism.

And so I was brought personally to include an amendment or a provision in the NDAA that asks the DoD to assess this issue and how to better incorporate women into our efforts to counter violent extremism.

I was wondering if you have any ideas on how we might be doing that more effectively in the Indo-Pacific specifically.

Dr. HAASS. The short answer, Congresswoman, I do not—I do not—I know we published it. I am not an expert on it. But I will make sure we followup with you.

Ms. HOULAHAN. I would very much appreciate that, because I think that this is—you know, obviously, we are 51 percent of the population, and I think that this is something that needs the attention of all of us when we are talking about security around the world.

My next question is for you and for everyone.

In 2020, the Global Terrorism Index ranked Pakistan, India, the Philippines, Sri Lanka, Thailand, and Myanmar as the top 25 countries impacted by terrorism. The Asia-Pacific area was one of only three regions that experienced a rise in terrorism in 2019.

I was wondering what you attribute that rise in terrorism to specifically in the Asia-Pacific region, and can you describe the U.S. counterterrorism efforts that the U.S. has in that region to try to combat that trend?

Dr. Haass, if we could maybe start with you.

Dr. HAASS. I was going to defer to Mr. Randy Schriver, who is more of an expert.

Ms. HOULAHAN. Of course.

Dr. HAASS. I will just say in 30 seconds, and I will defer to him, he is a real expert, is that in many of these cases the problem is not strong governments, but weak governments, who are either unable or unwilling to make the commitments to police what goes on within their own territory, Pakistan being the poster child of that.

And, for us, what we have to think about is not necessarily fighting the problem for them, but how we can help build capacity in these countries so they can do a better job to meet their domestic and international obligations.

Mr. SCHRIVER. Yes, I agree with that. I think you really have to disaggregate and look at each country and the challenges they face.

In the Philippines, in the case of recapturing Marawi City, it was not only capacity building for the Air Force of Philippines, but it was direct enabling support. We were in the fight in a way that became enabling for the AFP to retake the city.

In other cases, it is assistance with reintegration of foreign fighters. So you really have to understand the specifics of the challenges a particular country may face.

But it is certainly a focus for our Special Operations Command, and it is a focus of Indo-Pacific Command as well, to be able to get to that level of granularity and assist the countries with the particular challenges they have.

Ms. HOULAHAN. Thank you.

And my next question is actually for you, Mr. Schriver, as well.

Secretary Austin has embarked on a global force posture review while also launching a China Task Force to better align our military resources and to better address China's evolving military capabilities.

If you were conducting those reviews now, what realignment would you consider of basing agreements as well as diplomatic and economic resources?

Mr. SCHRIVER. Well, I wish them success in these efforts. It is very important.

I think, if you look at the potential China fight—and not that we want to have that fight, but that, in order to deter them, we need to be able to have a high confidence that we would prevail—it is

about dealing with their ballistic and cruise missiles and the fact that they can hold our forward-deployed forces at risk, so their so-called A2/AD strategy.

So I think, thinking about dispersal, dispersification, survivability, and a protracted ability to continue to operate in the environment are the keys.

I think the Pacific Deterrence Initiative is a great start. It gives some new tools to be able to forward deploy ammunition, logistic support.

But ultimately dispersal and access, that means having partner countries willing to participate in particular ways, give us the access when we need it. So that is really on our diplomats, too, to help develop those relationships.

So I am encouraged with the direction that the Biden Administration is taking. There are quite a bit of details to be worked through, though.

Ms. HOULAHAN. Thank you.

And I only have 10 more seconds left, and I will submit the rest of my questions for the record. But, for Dr. Haass, I very much would like to have a continuing conversation on the role of women and security in the region.

Thank you. With that, I yield back.

Mr. BERA. Thank you, Ms. Houlahan.

Let me go ahead and recognize my colleague from Tennessee, Dr. Green, for 5 minutes of questioning.

Mr. GREEN. Thank you, Chairman and Ranking Member, for your holding of this committee today.

I want to thank our witnesses for testifying before us today.

Dr. Haass, let me say your book, "A World in Disarray," is one of my favorites, and I suggest every member of this committee should read that book.

While I am ranking member on Western Hemisphere, the Chinese Communist Party makes this subcommittee the most important one in Congress. The United States and the Chinese leadership—note I did not say Chinese people—the U.S. and the Chinese leadership have contrasting values and incompatible goals.

We certainly do not share the same vision for the Indo-Pacific. The United States seeks to advance the fairness-for-all values of the rules-based international order—in a word, freedom. The CCP seeks political power and regional dependence on Beijing, not unlike previous Chinese emperors—in a word, they want authoritarian control and subservience to their concept of world order.

According to a report by the RAND Corporation, nations in the Indo-Pacific believe the United States has more diplomatic and military influence than China. However, they believe China has more economic influence, and China uses this leverage to undermine the United States diplomatically and militarily.

Many analysts suggest the world is at risk of losing the freedom to navigate the region. This is preventable. President Biden should continue efforts to negotiate free trade agreements with our allies. The President should also continue the previous administration's efforts to counter the Belt and Road Initiative, such as the Trilateral Partnership for Infrastructure Investment.

Additionally, we need to encourage American companies to move their supply chains out of China. That is why I introduced the Bring American Companies Home Act, to offset the moving costs for American companies that reshore their supply chains from China.

We must not neglect the economic sphere when it comes to our allies in the Indo-Pacific. We must show them that the international rules-based order is a better alternative to the Chinese Communist Party's Middle Kingdom tributary system.

China's strategy has two critical components. First, to advance its technologies and, hence, their sharp power through China 2025. And, second, to disrupt our allies and partnerships through their Belt and Road Initiative.

Our strategy should, as the Atlantic Council suggests, focus on three long-term objectives.

First, strengthen. We must strengthen relationships with our allies and partners in the rules-based international order by, (A) prohibiting Chinese engagement in economic sectors vital to our national security; (B) developing new military capabilities to maintain a favorable balance of power; and, (C) reasserting influence on multilateral institutions and even creating new ones when necessary.

Second, we have to defend, defend against Chinese aggressive behavior and impose costs for those violations. That means establishing offsetting measures, to use the Council's word, collectively, resisting coercion by decreasing dependence for ourselves and our allies and partners. And, in order to defend, we must counter Chinese IP theft and their influence operations.

Third and final, we need to engage China. Now, that may sound odd coming from someone who most would call a China hawk, but our ultimate goal here should be to cooperate with China where we can—only where we can. Things like public health and the environment are two great areas where we can work together and communicate and advance our relationship so that we can incorporate China into the rules-based order.

Dr. Haass, do you mind elaborating on the differences between Xi Jinping and his predecessors and how that may impact or provide enlightenment, so to speak, to our strategy?

Dr. HAASS. Yes, sir.

The predecessors to Xi Jinping, most importantly Deng Xiaoping, were much more cautious in their external behavior and their foreign policy, basically said China needs a stable periphery in order to do the social, political, and economic development at home. And it is not surprising that the best period of U.S.-Chinese relations in the modern era was during that period.

What we now have with Xi Jinping is someone who is very different, basically is acting as if China's time has arrived, sees the United States as weak and divided, and essentially is pressing on every front.

We see it with India. We see it in the South China Sea. We see it with Taiwan. We see it with Japan. We see China not meeting its international obligations on trade. We see it not meeting its international obligations on Hong Kong. We see what they are doing vis—vis the Uyghurs.

This is a very different China that basically is no longer, to use the Chinese expression, hiding and biding its time. But China is basically saying: We are arrived, and we are going to act differently now.

Mr. GREEN. Would you say they are in the phase three of an insurgency, so to speak, a direct confrontation phase?

Dr. HAASS. No, but I think they are acting in ways, say, vis—vis Taiwan, that we have to be extraordinarily mindful of.

And what we have to do is basically say: How do we now push back selectively to make sure that, whatever their goals are, where you begin your intervention, whatever their goals are, they decide they cannot pursue them successfully? That is what we need to get to.

Mr. GREEN. Agreed. Thank you.

My time has expired. I appreciate you all being here today.

Chairman, I yield.

Mr. BERA. Thank you.

Let me go ahead and recognize my colleague from North Carolina, Ms. Manning, and welcome to the subcommittee.

Ms. MANNING. Thank you very much, and thank you, Mr. Chair, for putting together this excellent panel.

Dr. Haass, I was particularly interested in your statement that the U.S. needs to focus on certain areas where we need to enhance our own ability to be competitive. You mentioned, for example, that we need to reform our immigration policies to attract the best and the brightest.

We are currently considering immigration reform that would increase the number of H-1B visa holders that are exempt from caps, people with Ph.D.s in the STEM fields.

Is this the kind of reform you believe we need? Would we be better off if we extended that exemption to people with master's degrees or even bachelor's degrees in the STEM areas?

Dr. HAASS. Directionally, it is 100 percent right. If you look at the Fortune 200, 500, a shocking percentage of the people are either immigrants or the first generation after immigrants. This is real talent.

China does not have an immigration policy of people coming in. This is one of our structural advantages, if we will only allow it to be.

Ms. MANNING. Thank you.

You also referenced the importance of ensuring that we have supply chain resilience, diversification of sources, and the stockpiling of domestic production.

We saw during this pandemic that we had a dramatic shortage of PPEs when our supplies from China were cutoff. In my own district, we had manufacturing companies that were told by the prior administration to ramp up and produce those PPEs, and then they were left with warehouses full of PPEs when they were undercut by lower-cost PPEs from China when the supply chains opened back up.

Do we need to maintain domestic supplies in our own country in anticipation of future disruptions?

Dr. HAASS. Well, you raise a good question, and there is a risk we will be asking companies to take if we go ahead with stockpiling.

I would say, in certain areas, that is a price worth paying. We would say, as part of long-term public security, we are going to make certain investments in certain areas.

What we will probably want to do is, given the expiration dates of certain things, is come up also with a way of getting those things out of stockpiles while they are still valid.

And, again, it is something that does not just have to be domestic. We could use the USMCA with Canada and Mexico. We could do certain things with some of the countries that fall under the purview of this committee.

They are much more likely to work with us if there is also an upside for them in the process.

Ms. MANNING. I also have a high-tech manufacturer of microchips in my district who has said that we will see the loss of our microchip industry to China if we do not protect domestic supply chains in that area as well.

What are your thoughts on ensuring the domestic microchip industry?

Dr. HAASS. Well, again, I would defer to the other two to some extent.

But I would say, look, so much of it is in Taiwan. One, it is a powerful argument for why Taiwan is so important, that its security is so important.

But, also, I think this is a legitimate subject for debate. What do we in the United States need going forward in order to not eliminate, but reduce our vulnerability? And there is, again, diversification of foreign sources, stockpiling, and domestic or joint production arrangements. And the areas of chips is one of the things absolutely we ought to be looking at.

Ms. MANNING. Thank you.

I am going to ask this last question and open it to anyone, any of our wonderful presenters.

Throughout history, when a rising power has challenged the presiding world power, more often than not the result been war, and in many cases the wars have devastated all involved.

How do we avoid what we have seen so often in history as we see increasing clashes between China, in its quest for dominance, and the U.S.?

Dr. HAASS. That is in many ways the great strategic question of our time.

I would simply say the Chinese are rational. What we constantly want to be is sufficiently strong ourselves and organize with our partners and allies so any Chinese leader who is tempted to do certain aggressive things that could lead to conflict will think twice, because they will realize the game is not worth the candle. And that is why exactly what we are talking about here today is so essential.

And, in the immediate future, I would think making sure that China is not tempted to move against Taiwan coercively ought to be a priority for American foreign policy, not just what we declare,

but what we do. We have got to close the gap between our declaratory policy and our ability to implement it.

Ms. MANNING. Mr. Schriver, would you like to add anything to that?

Mr. SCHRIVER. Sure. Thucydides was a very smart person and put forward some very compelling arguments, but that was largely a world before nuclear weapons and largely a world before we built our system of alliances and partnerships.

So this isn't really about the U.S. and China per se. It is about China's revisionist aspirations and growing power against a coalition of like-minded partners who want to preserve the free and open order.

So I think the combination of deterrence through the strategic weapons we have and the coalition that we have that will ultimately push back against China will be our best protection against a conflict that nobody wants.

Ms. MANNING. Thank you.

Ms. Rolland, I am sorry I did not get to you, but my time has expired, and I yield back.

Mr. BERA. Thank you.

Let me go ahead and recognize my colleague from California and welcome her to the subcommittee.

Mrs. Kim, you are recognized for 5 minutes of questioning.

Mrs. KIM OF CALIFORNIA. Thank you, Chairman Bera and Ranking Member Chabot. I appreciate your leadership. It is a pleasure to join you today for the first hearing of the Asia Subcommittee and welcome this distinguished panel of witnesses.

And I am really excited to be able to serve as a vice ranking member of this subcommittee, and I look forward to working with all of you in this position moving forward.

I would like to start my remarks today by recognizing the horrific events that have taken place in Myanmar over the past month. The actions taken by the Tatmadaw in overthrowing the democratically elected government and cracking down on peaceful protesters and killing dozens, if not hundreds, of its own people in the streets is deplorable, it is horrific, and it is wrong.

The leaders of Myanmar made a commitment to uphold democratic principles over a decade ago, and the United States will not tolerate the oppression and killing of the freedom-loving people of Myanmar.

And I call on our administration to immediately work with our partners in Asia to form a united multilateral front to pressure the Tatmadaw to step aside and accept the results of this election from last year.

So, for my first question, I would like to turn to the Philippines and the hardships facing land owners and farmers there as the government allows or participates in stealing land from its own citizens for large corporations or government use.

Many of my own constituents with ties to the Philippines have watched as their family lost their lands and livelihoods against their will at the hands of the government and big businesses.

So I would like to pose this question to Mr. Schriver.

Given your experience dealing with the Philippines, could you explain why this issue continues to persist and what the United States is doing to resolve it?

Mr. SCHRIVER. Well, our alliance has always been somewhat hindered by the fact that the Filipino people have not had the good governance and quality governments that they deserve. There is certainly a history of corruption. There is certainly a history of elitism that results in unfavorable government policies to the people. There is now the issue of extrajudicial killings related to the drug war.

So we have an important relationship with the Philippines. It is an important ally. And I do not think we should curb our engagement, particularly on the military and security side, because there are important things happening in that region.

But certainly, as a friend of the Philippines, and the history that we have there and what we have done side by side, we have to be encouraging the Philippines for a more representative government and a more enlightened approach to these various issues. Otherwise, our partner will be diminished and left behind.

Mrs. KIM OF CALIFORNIA. Well, thank you.

Next, I would like to turn your attention to Cambodia.

As you know, Prime Minister Hun Sen has ruled Cambodia for decades as the sole source of centralized power.

In 2017, he further cemented that power by outlawing opposition parties from participating in the Nation's Parliament and ensuring one-party rule.

Kem Sokha, who I had the pleasure of meeting, the leader of—he is the opposition—the Cambodia National Ruling Party leader. He was then arrested on attempts of seeking to overthrow the government and charged further with conspiracy with foreign powers last year as he awaits a trial for treason.

So, Mr. Schriver, could you comment on the current safety of Mr. Sokha and what options are available to Congress and the administration to have him released from the prison and democratic representation reinstated in Cambodia?

Mr. SCHRIVER. Well, thank you for the question.

Kem Sokha is an important figure in Cambodia, and certainly his efforts to promote a democratic future by participating in the elections, despite the flaws in the electoral system and the fact that Hun Sen was never going to cede power no matter the outcomes. So it is important that he be given the opportunity not only for his freedom, but to continue to be active in the political space.

I do check in on his condition every once in a while. You probably know he has family members in Washington, DC, who are active on Capitol Hill and with the administration. His conditions have gone from house arrest to prison and different—a variety of ways of holding him.

And I think the important thing is we continue to pressure the government in Phnom Penh to not only release him, but allow him to participate in the politics of Cambodia, because it is so important for the future of the people there.

Mrs. KIM OF CALIFORNIA. Thank you.

I do have further questions, but I would like to submit them for the record if I may. And my time is up, so I yield back.

Mr. BERA. Great. Thank you.

I think all the members have had a chance to ask questions, but I am going to take the chair's prerogative, just because we have this wealth of expertise in front of us, and certainly we will extend the same to the ranking member in his closing remarks, to just ask a couple followup questions on issues that we have touched on, but also that we may further want to explore.

And, Dr. Haass, I will also reach out to the Council.

One area that the ranking member and I talked about was, obviously, our failure to get the Trans-Pacific Partnership across the finish line and the strategic loss of not having that rules-based agreement in place.

So we will reach out to the Council and others to think about understanding our own domestic politics and challenges, how we might consider pushing, whether it is joining CPTPP or some other multilateral agreement. But certainly not having a multilateral agreement in place leaves us vulnerable to Chinese influence.

The two questions that I have, if the witnesses are willing to indulge, we have alluded to the multilateral coalition and over the past 12 months with the pandemic have had multiple conversations with our European allies and parliamentarians in how we approach the region.

And if any of the witnesses could comment on how we marry an Indo-Pacific strategy with our transatlantic strategy. I think that is something we did not do well in the post-World War II environment, but certainly in this new world, talking to our allies in Germany and elsewhere, I think it is in our interest to create that partnership.

And then a second piece that perhaps Ms. Rolland, but certainly would open up to any of the panelists, my last travel to the region prepandemic included visiting both Sri Lanka and Nepal. And part of the intent in those two countries was we had MCC compacts that were approved that were there to help build the infrastructure, to help the hydroelectric projects in Nepal that would be to the benefit of this young democracy.

They both got enmeshed in domestic politics, political issues there, and I think it is my understanding that neither one got across the finish line.

And, as we think about aid and development, countering Belt and Road, it does occur to me that we also—my intuition was that, domestically, there probably was Chinese influence in turning the public against some of these what, again, I thought were incredibly good projects that would help both Sri Lanka and Nepal. So how we might think about the influence battle as well and how we counter that.

So I will turn it over maybe to Dr. Haass, and then Ms. Rolland, and then Mr. Schriver.

Dr. HAASS. Thank you, sir.

By the way, 10 seconds on CPTPP. One way to expand, I think, domestic support in this country for entry could be if we introduced a serious climate component, so it did not just make economic and strategic sense, but, for example, if you try to modify the agreement so certain types of goods either had advantages or disadvantages in trying to enter based upon their use, how much carbon

and so forth they were associated with, that might be something to change the debate in this country. Just saying.

In terms of transatlantic, it is important. We saw with the separate EU-China investment agreement, if we do not coordinate with the Europeans, we could pay a price for it. We could lose leverage vis—vis China. So your meetings with parliamentarians are actually a really good idea.

We should talk about things like coordinating sanctions and responses to Taiwan contingencies. There is more we could and should be doing on Hong Kong and on other human rights violations, like the Uyghurs, agreement on technology transfer restrictions, and on something like 5G.

One of the lessons we should have learned, as Will Rogers might have said if you had invited him here today, you cannot beat something with nothing. So the United States and Europe are natural technology partners. Maybe it is in 6G or other things. And that ought to be part of the conversation I would think you and your colleagues would have.

Mr. BERA. Great.

Ms. Rolland.

Ms. ROLLAND. Thank you, sir.

On the European side, being a European myself, I have to say something about that. I think the time is really right. And, again, I think European powers are more and more willing to look into the Indo-Pacific region.

Many of them have their own Indo-Pacific strategy set in place. That includes not just the military and security component, but also other dimensions that I think align very well with the American interests.

Of course, Europeans being Europeans, they will always want to retain a degree of strategic autonomy and not necessarily be always aligned with Washington, DC. However, I think convergence of interests, the convergence of values, are really important and are going to lead to greater cooperation in all of these domains confronting the China challenge.

Regarding your experience with Nepal and Sri Lanka, I thank you for sharing this experience. And I think this is a great example of where actually BRI is, again, more of a grand strategy that looks into various domains. Influence operation is an extremely important component of them, including the cooperation of local elites, which in the long-term influenced political decisions.

And so, if the U.S. wants to provide alternatives to some of these projects, it cannot just be in terms of contracts and sustainable projects that we can offer, that the U.S. can offer, but also working more broadly with different constituencies in those countries, improving good governance, making sure that, again, the governments of countries where China wants to expand its influence are very much aware of the consequences it might have for their national interests in the long-term as well.

So it is a comprehensive objective, I believe.

Mr. BERA. Great.

Mr. Schriver.

Mr. SCHRIVER. Well, I endorse those answers.

I would just add on the EU point, since I came from the Defense Department, when it comes to actual hard power, there is really—some countries are more important than others.

And I think we need to look at enhancing our cooperation with the French, for example, who have forward-deployed forces in the Pacific region given their Pacific holdings. They have frigates in New Caledonia and personnel stationed there.

So working with them, working with the Brits on the sanctions enforcement directed at North Korea. People who can bring hard power are part of this equation as well, but it is a little bit more limited than you will find in the other areas of cooperation.

Mr. BERA. Great. Thank you.

And, again, I want to thank the witnesses.

Let me offer the same courtesy to the ranking member, if there are any closing questions or clarifications and any closing comments that you would like to make.

Mr. CHABOT.

Mr. CHABOT. Thank you, Mr. Chairman.

This panel did such a great job in their presentations and answering the questions that I am not going to toss them any more questions.

Also, we have our last vote of the day, the week, and this session coming up here any minute now, so I do not want to drag it out.

But, really, all three were excellent. So I, again, commend you, Mr. Chairman, and staffs on both sides for working this out with these witnesses.

I hope that we can see them on future panels, which I am quite sure we probably will, because they really have been great.

So thank you very much. I hope you all have a great weekend. And you are always welcome to come to Cincinnati, the greatest city in the United States, at any time. I just happen to represent it.

So, anyway, you all take care.

Back to you, Mr. Chairman.

Mr. BERA. Great.

I want to thank the ranking member, Mr. Chabot.

I want to thank our witnesses who participated in this very important virtual hearing.

Without objection, all members will have 5 days to submit statements, extraneous materials, and questions for the record subject to the length limitation in the rules.

And, again, look forward to working with each of the witnesses, as well as the members of the subcommittee, to address these major issues.

And, with that, a virtual bang of the gavel, and the subcommittee is adjourned.

Thank you.

[Whereupon, at 11:59 a.m., the subcommittee was adjourned.]

APPENDIX

**SUBCOMMITTEE HEARING NOTICE
COMMITTEE ON FOREIGN AFFAIRS
U.S. HOUSE OF REPRESENTATIVES
WASHINGTON, DC 20515-6128**

Subcommittee on Asia, the Pacific, Central Asia, and Nonproliferation

Ami Bera (D-CA), Chair

March 19, 2021

TO: MEMBERS OF THE COMMITTEE ON FOREIGN AFFAIRS

You are respectfully requested to attend an OPEN hearing of the Committee on Foreign Affairs, to be held virtually by the Subcommittee on Asia, the Pacific, Central Asia, and Nonproliferation via Cisco WebEx (and available by live webcast on the Committee website at <https://foreignaffairs.house.gov/>):

DATE: Friday, March 19, 2021

TIME: 10:00 a.m., EDT

SUBJECT: America's Way Forward in the Indo-Pacific

WITNESS: The Honorable Richard N. Haass
President
Council on Foreign Relations
(Former Director of Policy Planning at the U.S. Department of State)

The Honorable Randall G. Schriver
Chairman
Project 2049 Institute
(Former Assistant Secretary of Defense for Indo-Pacific Security Affairs)

Ms. Nadège Rolland
Senior Fellow for Political and Security Affairs
National Bureau of Asian Research

By Direction of the Chair

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MINUTES OF SUBCOMMITTEE ON Asia, the Pacific, Central Asia, and Nonproliferation HEARING

Day Friday Date March 19, 2021 Room Cisco WebEx

Starting Time 10:07 am Ending Time 11:59 am

Recesses 0 (____ to ____) (____ to ____)

Presiding Member(s)
Chairman Ami Bera

Check all of the following that apply:

Open Session
Executive (closed) Session
Televised
Electronically Recorded (taped)
Stenographic Record

To select a box,
mouse click it, or tab
to it and use the enter
key to select. Another

TITLE OF HEARING:
"America's Way Forward in the Indo-Pacific"

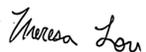
SUBCOMMITTEE MEMBERS PRESENT:
See attached.

NON-SUBCOMMITTEE MEMBERS PRESENT: (Mark with an * if they are not members of full committee.)

HEARING WITNESSES: Same as meeting notice attached? Yes No
(If "no", please list below and include title, agency, department, or organization.)

STATEMENTS FOR THE RECORD: (List any statements submitted for the record.)
SFR - Connolly
QFR - Y Kim

TIME SCHEDULED TO RECONVENE _____
or
TIME ADJOURNED 11:59 am


Subcommittee Staff Associate

WHEN COMPLETED:
Please print for
subcommittee staff
director's signature
and make at least
one copy of the
signed form. A

Clear Form

Note: If listing additional
witnesses not included on
hearing notice, be sure to

HOUSE COMMITTEE ON FOREIGN AFFAIRS
SUBCOMMITTEE ON ASIA, THE PACIFIC, CENTRAL ASIA, AND NONPROLIFERATION
 ATTENDANCE

<i>PRESENT</i>	<i>MEMBER</i>
X	Ami Bera, CA
X	Brad Sherman, CA
X	Dina Titus, NV
X	Andy Levin, MI
X	Chrissy Houlahan, PA
	Andy Kim, NJ
	Gerald E. Connolly, VA
	Ted Lieu, CA
	Abigail Spanberger, VA
X	Kathy Manning, NC

<i>PRESENT</i>	<i>MEMBER</i>
X	Steve Chabot, OH
X	Scott Perry, PA
	Ann Wagner, MO
	Ken Buck, CO
X	Tim Burchett, TN
X	Mark Green, TN
X	Andy Barr, KY
X	Young Kim, CA

STATEMENT FOR THE RECORD FROM REPRESENTATIVE
CONNOLLY

“America’s Way Forward in the Indo-Pacific”
HFAC Subcommittee on Asia, the Pacific, Central Asia and Nonproliferation
10:00 am, Friday, March 19, 2021
Cisco WebEx
Rep. Gerald E. Connolly (D-VA)

China is our most foremost competitor in the 21st century and its growing aggression and ambition directly challenge U.S. national security and economic interests in the Indo-Pacific. It is only through sustained leadership – one that works hand in glove with allies and partners – can the United States counter China’s rise and help our allies and partners preserve peace, stability, and democracy in this critically important region.

More than half of the world’s population resides in the Indo-Pacific. The region generates a third of the world’s economic output, and the United States has more trade with the Indo-Pacific countries combined, more than any other regions. Three important U.S. allies -- Japan, South Korea, and Australia -- are Indo-Pacific countries, and the United States has advanced its security interests and status as a Pacific power through an extensive network of alliances and strategic partnerships. India, the world’s largest democracy, has an economy and defense budget second in size in the region on to China’s and shares many interests with the United State.

China’s rising military and diplomatic aggression is a global threat. The country with the world’s biggest population, second largest economy and highest manufacturing output, and second largest military by annual spending is an authoritarian state carrying out gross human rights abuses on a massive scale, including the mass imprisonment of over one million Uyghurs. The Chinese government’s crackdown on democracy has effectively put an end to the “one country, two systems” principle underlying Hong Kong’s autonomy. In defiance of international law, China’s island building in the South China Sea has turned it into the most contested body of water in the world. It has escalated tension in the Taiwan Strait by stepping up military exercises and patrols around Taiwan. China also conducts foreign influence operations in Asia and globally through propaganda, disinformation, and misinformation. The government has used cyber espionage and state-owned enterprises to undermine private competitors in critical industries, and its Belt and Road Initiative projects have entrapped recipient countries in unsustainable debt burdens. The challenges posed by a malignant China are not just growing, they are multiplying.

The United States also face conventional and emerging challenges in the region. The Korean peninsula is a dangerous global flashpoint that threatens regional and international security. Trump’s reality TV-styled diplomacy was doomed to failure from the start and has gotten us nowhere close to the goal of a denuclearized North Korea. Democracy has been in retreat in recent years after spreading rapidly in the region starting in the early 1990s, while illiberalism has been on the rise in democratic countries such as the Philippines and Indonesia. The February 1 military coup in Burma is the latest demonstration of the fragility of democratic governance in the region. On the environmental front, the Indo-Pacific is major source of pollution, producing roughly one-third of all greenhouse gas emissions and two-thirds of oceanic plastic waste.

I have long argued that U.S. engagement in Asia is not an expedition into parts unknown and a nuanced strategy is needed to counter China and advance our interests in the region. That is why I have introduced legislation to restore democracy in Burma, which passed the House yesterday; supported legislative efforts to support human rights in China and North Korea and expand U.S. relations with Taiwan and South Korea; and led letters to the Administration on issues concerning democracy, human rights, and the rule of law in India and other Indo-Pacific countries. As co-chair of both the Congressional Taiwan and Korea Caucuses, I am proud to champion these critical relationships.

I have authored a report on *The Rise of China: Implications for Global and Euro-Atlantic Security* for the NATO Parliamentary Assembly and argued in a 2019 report for the NATO PA and in the lead up to the pivotal Leaders' Summit in December 2019 that China must be on the NATO agenda. As the Parliamentary's President, I am committed to helping increase NATO's engagement with the Indo-Pacific and shape the Alliance's strategy and response to China.

The strategic environment in the Indo-Pacific is changing and the United States must change its calculus in meeting the moment. I welcome the Biden Administration's early steps to reassure Indo-Pacific allies and partners of our enduring interests and staying power. President Biden's first-ever summit with the leaders of Japan, India, and Australia on March 12 -- followed closely by Secretaries Austin and Blinken's visit to Japan, Korea, and India -- is exactly the right signal we should be sending at the critical moment. I also support the Administration's calibrated approach to China, starting with President Biden making human rights concerns a priority in his first call with Xi Jinping on February 10. Acknowledging China as the only country with the economic, military, diplomatic, and technology capability to reshape the international rules-based order and to displace U.S. leadership is the most honest but necessary admission we can make as a country. Only when we are clear-eyed about the problem can we pursue the right solution.

We must reinforce the United States' commitment to a free and open Indo-Pacific region -- founded on respect for international rules, laws, and norms. When it comes to the critical issue of peace and security in the Indo-Pacific or elsewhere, the right approach is one that keeps our people and allies safe and is done in consultation and coordination with our allies and partners. We must maintain U.S. military capabilities in the Indo-Pacific region as well as those of allies and emerging security partners. We must look to expand our alliances and partnerships to new frontiers, to include the areas of global health security, climate change, supply chain security, and innovation and technology. I look forward to hearing from our witnesses on how we accomplish these goals.

RESPONSES TO QUESTIONS SUBMITTED FOR THE RECORD

Questions for the Record from Representative Young Kim
“America’s Way Forward in the Indo-Pacific”
March 19, 2021

Question:

“While I support clarity in our relationship with Taiwan and a clear commitment to defend the island from invasion, some questions remain on Taiwan’s own military readiness and capability to meet the threats posed by the People’s Liberation Army.

“Mr. Schriver or Mr. Haass, could either of you comment on how the United States can urge Taiwan to immediately implement its Overall Defense Concept (ODC) and reform its reserve capacity within the year so that it may be better prepared to turn back an attack from China?”

Answer:

Dr. Haass: You are correct to express concern with Taiwan’s military readiness and its capability to meet the threats posed by the People’s Liberation Army (PLA). The United States should make it a priority to work with Taiwan’s military to increase its warfighting capabilities. This entails continuing to emphasize the need for Taiwan to pursue an asymmetric defense strategy. Taiwan should be encouraged to purchase a large number of cheaper, more mobile weapons that are short-range and defensive. The United States should also facilitate Taiwan’s interaction with partner militaries that face similar strategic environments, in particular the Japanese Self-Defense Forces and the Republic of Korea armed forces.

Mr. Schriver: During my recent service in government, we strongly encouraged Taiwan to fully implement the ODC. We also understood the U.S. could play a role as a valued partner in the effort. It is important we continue to make available to Taiwan weapons and systems that support the ODC (e.g. coastal defense anti-ship cruise missiles, UAVs, short range/mobile surface to air missiles), and support their training needs on these same systems as well. The USG should also support exchanges between Taiwan national security officials and our National Guard and Reserve components so as to convey best practices that may be applicable to Taiwan as they try to strengthen their reserves.